



Daily Report

China

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Daily Report

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NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

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General

'News Analysis' Assesses U.S.-Russian Talks

OW0302074192 Beijing XINHUA Domestic Service
in Chinese 0432 GMT 3 Feb 91

["News Analysis" by XINHUA reporter Huang Yong (7806 0516): "A Look at U.S.-Russian Relations Through Meeting Between Bush and Yeltsin"—XINHUA headline]

[Text] Washington, 1 Feb (XINHUA)—U.S. President George Bush and Russian President Boris Yeltsin met for three hours today at Camp David to discuss the situation in the former Soviet Union, nuclear disarmament, Russia's economic reform, and bilateral cooperation.

Public opinion here has maintained that the United States wanted to use the meeting to gain a better understanding of both Russia and Yeltsin in terms of their current status and long-term goals. Russia, meanwhile, wanted to take the opportunity to demonstrate its position in the Commonwealth of Independent States and the world, as well as to get a better idea of the extent the United States would support it. This was the first meeting between U.S. and Russian leaders since the disintegration of the Soviet Union, and each side tried to figure out the other side's intentions.

In a statement issued at the end of the meeting, both sides claimed that the two countries had already become "partners" with identical values and no longer viewed each other as a "potential enemy," emphasizing extensive "cooperation" in the future. Judging from information revealed after the meeting, however, both sides are not in agreement on a number of major issues and are keeping a wary eye on one another.

First, there is still considerable disagreement on the issue of nuclear disarmament. On 28 January, Bush put forward a proposal on nuclear disarmament in his State of the Union address. Bush indicated in his proposal that, if all land-based multi-warhead intercontinental ballistic missiles (ICBM) in the former Soviet Union were destroyed, the United States would take matching steps, including the destruction of MX missiles and a one-fifth reduction in warheads on submarine-launched ICBM's. The next day, Yeltsin presented his disarmament proposal, calling for sharper reductions of nuclear arms by both sides, with each cutting strategic nuclear warheads down to 2,000-2,500 units. He also suggested that the United States and Russia join hands to develop a "global defense system" to replace the U.S. "Strategic Defense Initiative." American public opinion holds that Bush and Yeltsin both have their own motives. The United States wants to neutralize the former Soviet Union's advantage in land-based multi-warhead ICBM's, while Yeltsin wants to "gain advantages by making concessions" in order to maintain a balance in strategic arms between the two countries.

Second, the United States and Russia are divided over the issue of Western assistance to Russia for its economic reform. Reports have indicated that, although Russia has more than once called on the West to provide funds for stabilizing currency and other financial aid to guarantee the smooth progress of its market economy reform, the United States still thinks the reform measures taken by Russia are ineffective. Therefore, the United States has only approved of Russia's participation in the IMF and other international financial organizations and has indicated its willingness to provide Russia with technical assistance. Regarding Russia's request for immediately providing it with a large amount of financial aid, the United States merely showed a cold response. In this connection, it was not without reason that at the end of his talks with Bush Yeltsin warned the United States and other Western countries that the "cold war" will reappear should Russia's economic reform fail.

Third, the United States is worried about Russia's tendency toward "great-nation chauvinism." According to a NEW YORK TIMES report, before their talks, U.S. officials threatened that Bush would remind Yeltsin not to assume the attitude of an elder brother in his handling of relations between Russia and its neighboring states. So far, we still do not know whether or not Bush touched on the issue during his talks with Yeltsin. Judging from the article on "respecting the rights of minority nationalities and the present border situation" provided in the statement announced by both sides, however, one can see it refers to something along these lines.

Fourth, it seems the United States still does not quite trust Yeltsin. At a press conference, Bush praised Yeltsin, called him a "friend," and said he thinks the latter "sincerely believes in democracy," but, in private, U.S. officials believe Yeltsin is still a "person who craves power," and U.S. press circles have criticized him for abusing laws and regulations.

Yeltsin is scheduled to conduct another official visit to the United States in the first half of this year, and Bush is scheduled to visit Moscow in the second half of the year to further strengthen relations between the two countries. To what extent the United States and Russia can expand their relations remains to be seen.

Continued 'Friction' Seen Between U.S., Japan

OW0202133692 Beijing Central People's Radio
Network in Mandarin 0500 GMT 2 Feb 92

["World in Length and Breadth" special column by (Wang Lin) from the "International News and Current Events" program]

[Text] Dear listeners, you have probably noticed that, in the wake of the dissolution of the former Soviet Union, the previous international system has ended, and various forces in the world are regrouping amid many upheavals. Under the new international situation, what is the relationship between the United States and Japan? Today I am going to discuss this matter with you.

We all know that U.S. President Bush paid a four-day official and friendly visit to Japan early last month. Following their talks, the two sides announced a Tokyo Declaration and a supplementary document called the Action Plan. They also stressed the need to strengthen cooperation between the two countries. Can Japan and the United States really establish cooperative relations on equal basis? In my opinion, this is something easy to say but difficult to do.

First, let us view it from the political side. For a long time, Japan's relations with the United States have been the basis of its diplomacy. But now, particularly since Japan has gradually become an economic superpower, it very much wants to become a political power and have its influence felt in international affairs. Therefore, Japan eagerly wants the United States to recognize their partnership in global affairs and change the present relationship, which is like that between elder and younger brothers. To achieve this, Japan has for many years made concessions on many issues in its dealing with the United States, including its support of the U.S. economy, with a view to gaining U.S. support for a Japanese political role in the international arena.

On the U.S. side, although it considers Japan an ally in the Asia-Pacific region on the basis of its strategic need, it does not want Japan—which is increasingly strong in terms of economic power—to sit as an equal at the same table in international affairs.

Taking Bush's visit to Japan last month as an example, although the Tokyo Declaration says the two countries will construct a closer partnership in global affairs and will equally share responsibility and interests in the new era following the end of the cold war, on the issue of defense in the Asia-Pacific region the United States has not relented at all. Bush only expressed the United States' desire to continue its military presence in the Asia-Pacific region, and asked the Japanese to increase its share of expenditures for U.S. troops stationed in Japan. Bush was indifferent to the questions of dispatching Self-Defense Forces abroad—which was raised by Japan last year—and Japanese assistance in United Nations peace-keeping operations.

We can see from Bush's attitude that, on the one hand, the United States wants to rely on Japanese financial power to preserve its strategic interests in the Asia-Pacific region and the entire world, and, on the other, has kept a wary eye on Japan's military role.

On the economic front, there has been constant friction between Japan and the United States over trade in recent years. At times, the two sides have haggled with one another, while at others they have argued with swords drawn and bows bent. In 1980, the trade imbalance between the United States and Japan was only US\$10.4 billion. Following Japan's massive export of automobiles and electronics products to the United States, the trade imbalance rose to a record US\$56.3 billion. It can be said that the trade imbalance is a main factor in causing

tension between the United States and Japan. In order to reduce its unfavorable trade balance, the United States has constantly put pressure on Japan and asked Japan to open its market for U.S. products. Since 1990, the trade imbalance between the United States and Japan has been reduced to US\$41 billion. To the United States—which is in a state of recession—the trade imbalance is still an intolerably heavy burden, however.

Bush visited Japan early last month under precisely such circumstances. The two sides bargained and reached a series of agreements on reducing trade friction between their countries, most importantly an agreement on automobile trade. At present, Japan dominates one-third of the U.S. auto market and constitutes a serious threat to the U.S. auto industry. Therefore, the auto agreement reached during Bush's visit stipulates that in the next three years Japan should increase its annual import of U.S. cars from 16,000 to 36,000, and Japan's import of auto parts from the United States should increase from US\$9 billion to US\$19 billion. After the agreement was signed on 20 January, however, Japanese Prime Minister Miyazawa said that these were goals and not promises. Upon hearing this, a senior official from the U.S. Department of Commerce said that it might be a sign of Japan's regression from its goals. He pointed out that, if Japanese automobile companies do not take prompt action to realize or exceed those goals, the U.S. will take negative reprisals. This shows that the trade friction between the United States and Japan has not been fundamentally solved.

Besides, there is another trend which may deserve our attention. The people's sentiments and national feelings toward Japan and the United States are playing an increasingly important part in the relations between the two countries. The cases of openly criticizing each other have become more and more frequent. Yoshio Sakurachi, speaker of the Japanese House of Representatives, made a speech on 19 January regarding the U.S. demand for Japan to import U.S. made automobiles. He said: The cause of the United States economic problem is the low and poor quality of its workers. U.S. workers are too lazy, and about 30 percent of them are illiterates; thus the quality of U.S. products is poor. Sakurachi's remarks meant that the United States should be held responsible for its inability to open up markets in Japan.

Sakurachi's remarks immediately aroused a mighty uproar in the United States. Officials of the U.S. Department of Education and a number of U.S. congressmen refuted Sakurachi's remarks. Shortly after that, Shintaro Ishihara, an LDP [Liberal Democratic Party] member of the Japanese House of Representatives, said during an interview with a reporter of the KYODO News Agency that despite U.S. workers' productivity [sheng chan lu] being relatively high, the quality of managerial personnel of U.S. enterprises is poor. If the United States understands this point, its economy can quickly recover. In fact, in early 1990 Ishihara wrote a book together with Sony Company Chairman Akio Morita entitled: *The Japan That Can Say No*. In their book, they advocate

that Japan and the United States should be on an equal footing. They hold that Japan can rely on its own strength to take independent action. It can be said that their viewpoint has a certain representative nature in Japan.

In the United States, the call for enforcing trade sanctions against Japan has become increasingly loud in recent years. To most Americans, the worsening situation of unemployment and economic recession are closely related to the rapid increase of the trade imbalance between the United States and Japan. They maintain that the reason is due to Japan's trade protectionism.

I can recall that, two years ago the U.S. magazine NEWSWEEK conducted a poll which asked: What is the greatest threat to the United States? About 33 percent of those who answered it was the Soviet Union's military strength, and 52 percent said it was Japan's economic power. Following the disintegration of the former Soviet Union, what would the result be today if a U.S. news service conducts another similar poll? This question merits deep thinking.

In the final analysis, I am convinced that, following the disintegration of the old world pattern, the relations of mutual reliance and interdependence between the United States and Japan will not change for the time being, despite the two sides having lost the binding force against their former enemy, despite the aggravation of economic friction, and despite intensified anti-Japanese and anti-U.S. feelings. This is because Japan must have its largest foreign market—the United States—as well as U.S. support in order to play a role in the international arena. While the United States, in order to extricate itself from its domestic economic difficulties and maintain its vested interests in the world, cannot divorce itself from Japan. Therefore the relationship between the United States and Japan will still be a relationship of both cooperation and dispute.

Dear listeners, what do you say?

U.S. Said Firm on Yugoslavia's CSCE Status

OW0502044692 Beijing XINHUA in English
0335 GMT 5 Feb 92

[Text] Vienna, February 4 (XINHUA)—The United States said here today that Yugoslavia would remain a member state of the Conference on Security and Cooperation in Europe (CSCE).

John Maresca, head of the U.S. delegation to talks on the establishment of confidence and security in Europe, told reporters at the Hofburg Palace this morning that the obtaining of observer status by Slovenia and Croatia would not change the fact that Yugoslavia was a CSCE member country.

Maresca said membership status by Slovenia and Croatia would not be discussed until all the CSCE members recognized the two former republics of Yugoslavia.

He firmly rejected the allegation that the United States attempted to prevent Slovenia and Croatia from participating in the CSCE.

Rich Nations Urged To 'Take Lead' on Environment

OW0302195492 Beijing XINHUA in English
1905 GMT 3 Feb 92

[Text] Nairobi, February 3 (XINHUA)—China today stressed the need to clearly define "the main obligations" for rectifying world-wide ecological problems, urging the developed nations to "take the lead" in protecting the global environment.

Addressing the third special session of the U.N. Environment Program (UNEP) governing council, Wu Minlian, head of the Chinese delegation, said that it is useless to just talk in abstract terms that the protection of the global environment is the common responsibility of the whole mankind.

"Both the principal responsibility for the degradation of the earth ecological environment and the main obligations for addressing this issue should be clearly established," Wu told the UNEP meeting which opened here this morning.

He said that the developed countries "must take the lead in taking actions to protect the global environment and help the developing countries resolve the problems they are faced with, since they hold "the main responsibility for environmental degradation" and "possess ample fund and technological capability."

Wu, also Chinese ambassador accredited to Kenya, urged the developed countries to provide the developing countries with "sufficient, new and additional funds" as well as "advanced technologies" needed for fighting pollution "on concessionary and non-commercial terms."

Elaborating China's stance towards certain basic principles guiding worldwide environmental cooperation, ambassador Wu emphasized the significance in correctly handling the relationship between environmental protection and economic development.

He also called on countries to promote environmental cooperation in line with the principle of fairness in the general framework of strengthening the North-South cooperation, and establish a new international economic order to speed up the accomplishment of sustainable development all over the world.

In addition, he went on to say, the international community should give full and due attention to resolving the environmental issues regional in nature that plague the developing countries such as desertification, flood and droughts.

The Chinese ambassador told the 58-nation governing council that when conducting worldwide environmental

cooperation, the state sovereignty should be "fully respected" and there should be "non-interference in each other's internal affairs."

He also pointed out the necessity for "the extensive and effective participation" of the developing countries in environmental protection, and for the setup of "a special green fund" to assist the developing nations to solve the ecological problems "not covered by the current relevant international legal documents."

In his speech, Wu illustrated China's strategy on ecological issues, which he said has taken into account the environment, resources, population and development as "an integral whole with close interactions among them."

The on-going session of the UNEP governing council, due to last through Wednesday, is expected to discuss three documents to be submitted to the forthcoming U.N. conference on environment and development, which will be held in Rio de Janeiro, Brazil, in June this year.

Non-Aligned Movement Holds Summit in Cyprus

Discusses Future Role

OW0302213992 Beijing XINHUA in English
2042 GMT 3 Feb 92

[By Chen Dechang]

[Text] Larnaca, February 3 (XINHUA)—Twenty foreign ministers and 92 other delegates of the Non-Aligned Movement (NAM) discussed the movement's future role and its cooperation with the Group of 77 in a two-day meeting here today.

Tasos Panayidhis, director general of Cyprus Foreign Ministry, said the ongoing meeting was dominated by confidence and hope among the participants.

"Everyone is making his contributions to the meeting in an effort" to make the movement more effective and survive the difficulties it is facing, he said.

Cyprus Foreign Minister Yeoryios Iakovou told reporters at the end of today's meeting that more than 20 papers regarding the role and future of the nam were presented at the meeting. He did not elaborate, only said the values of the movement are "still valid."

The movement, formed in 1961 as an alternative political force to the superpowers, is facing different international situation, which changed from a U.S.-Soviet, or East-West confrontation to an economic conflict between the North and the South.

One of the issues to be discussed is the cooperation between the NAM and the Group of 77. Some delegates from the 53 participating countries suggested a special committee be set up to deal with the issue, but no agreement has been reached, sources close to the meeting said.

Indonesian Foreign Minister Ali Alatas said that closer association of the NAM with the Group of 77 aimed to promote economic cooperation among third world countries.

"This should be done to ensure there is no duplication of efforts in the common goals of the two groups," he said.

Participants at today's meeting also agreed on the chairmanship of the movement. The current chairman Yugoslavia will keep the post until September when Indonesia takes over the chairmanship.

Earlier reports said the post would go to Indonesia early this year after civil war broke out in Yugoslavia.

Answering questions from XINHUA about the time and venue of the next summit, Tasos Panayides said it will be held in September in Jakarta, Indonesia.

But he said a ministerial preparatory meeting will probably be held in Bali, Indonesia before the summit.

Meeting Ends 4 Feb

OW0402220892 Beijing XINHUA in English
2122 GMT 4 Feb 92

[By Chen Dechang]

[Text] Larnaca, February 4 (XINHUA)—A two-day Non-Aligned Movement (NAM) ministerial committee meeting ended here this evening without issuing any document or statement.

Cyprus Foreign Minister Yeoryios Iakovou, chairman of the committee on the methodology and the role of the movement, told a press conference that NAM foreign ministers decided at the closed-door meeting to strengthen and modernize the movement to meet today's challenges through different ways.

He said the participants recognized that nam had to adapt itself to changes and expressed a desire to see the movement become more effective.

The delegates also agreed to fully use the United Nations to carry the NAM message across, the minister said.

He added that the participants held that the U.N. must be used and strengthened and through the U.N. the NAM could exert its influence and help shape the new world order.

Iakovou said the ministers understood the movement should be preserved and strengthened as its principles are still valid.

Another opinion expressed during the meeting was the possibility of setting up coordination fora in capitals where there are U.N. organizations such as Vienna or Geneva.

The idea of a back-up system for the NAM chair, the introduction of the post of vice chairman and that of a "trinity" were also debated by participants, the minister added.

The meeting of the 38-member committee which was chaired by its chairman Iakovou was attended by more than 100 delegates from 53 countries, including 20 foreign ministers.

The committee, known as the "Iakovou committee," was set up at the NAM foreign ministers' meeting in Nicosia in 1988.

The meeting of NAM, which was formed in 1961 as an alternative political force to the superpowers, took place following the breakup of the Soviet Union and the recognition of Slovenia and Croatia by some European states.

Local observers held that the meeting bears special significance as the movement is on the crossroad in a fast changing world.

World Economic Forum Meeting Closes in Davos

OW0502064892 Beijing XINHUA in English
0622 GMT 5 Feb 92

[Text] Davos, Switzerland, February 4 (XINHUA)—The future world will be a multi-polar one in which competition will be further intensified and cooperation become much more necessary.

This is one of the main conclusions reached by representatives attending the 1992 annual meeting of the World Economic Forum (WEF), which closed here this evening.

More than 2,000 statesmen, economists and business leaders from 86 countries and regions attended the six-day meeting. Chinese Premier Li Peng was one of them. He briefed the gathering on the economic situation in China.

The purpose of the annual davos meeting held by the WEF, a Geneva-based non-official organization, is to create opportunities for political and economic leaders to enhance cooperation.

UN Not To Impose Solution on Afghanistan

OW0102083792 Beijing XINHUA in English
0755 GMT 1 Feb 92

[Text] Islamabad, February 1 (XINHUA)—The United Nations is not attempting to impose any solution on the Afghans, said Benon Sevan, the UN secretary general's personal representative on Afghanistan.

The local English daily "THE NEWS" today quoted Sevan as saying here that from the outset, the UN has sought to bring about the disengagement of all outsiders from the Afghan issue and encourage and assist the Afghans to decide their own future.

Sevan, who flew in from New York Tuesday night for a fresh round of consultations on the Afghan issue, said that he planned to have as many meetings as possible with Mujahidin leaders and other Afghan leaders to prepare for a representative gathering of all Afghans, which could then decide their country's future.

The proposal for a representative gathering of all Afghans was announced on Monday in New York by the UN secretary general. Sevan said what the secretary general has offered is an opportunity for Afghans of all shades of opinion to meet together and determine their future.

Some Afghan Mujahidin leaders, based in Pakistan, have rejected the UN plan to convene the assembly of Afghans.

Sevan said however that nothing could discourage him from promoting what the Afghan people want: Peace.

He welcomed Pakistan's announcement on Monday of unequivocal backing for the UN peace efforts.

The UN envoy is due to visit kabul next week and will then visit Tehran, Moscow and Riyadh as well as newly independent Central Asian republics also for consultations.

United States & Canada

Bush Said To Halt Slide in Approval Ratings

OW0502090892 Beijing XINHUA in English
0843 GMT 5 Feb 92

[Text] Washington, February 4 (XINHUA)—Since his State of the Union address a week ago, U.S. President George Bush has stemmed his nine month fall in approval ratings, according to the latest USA TODAY-CNN-Gallup poll.

The poll, taken last Friday and Saturday and released Monday, said Bush's approval rate among 1,007 voters contacted was 47 percent, a slight rise from the record low of 46 percent in the same poll taken a month ago. The President had a 89 percent rating after the Gulf war.

Another poll taken by ABC News and THE WASHINGTON POST between January 30 and February 1 recorded a 46 percent approval rate, the same level as that last December.

USA TODAY says strategists for Bush's presidential campaign had hoped for a political boost from his economic rescue plan outlined in the State of the Union address, but the speech did little to raise confidence in his economic policies.

However, the press secretary for the President's campaign, Torie Clarke, said the numbers "sound pretty good for us." The real benefits to the President would mount if Congress passed his economic plan and the economy improved.

At the same time, Bush took a 2-1 lead over his challenger, Patrick Buchanan, in a poll conducted by the BOSTON HERALD and WCVB-TV two weeks before the primary in New Hampshire for the presidential nomination.

The poll of 404 Republican voters put Bush's approval rating at 59 percent against Buchanan's 28 percent. Eleven percent were undecided.

The poll showed that the democrats are in a tight, volatile race for the presidential nomination. William Clinton took the lead with 27 percent, followed by Paul Tsongas, 24 percent, Joseph Kerry, 17 percent, Thomas Harkin, 10 percent, and Edmund Brown, 8 percent.

Congress Approves Extension of Jobless Aid

OW0502021592 Beijing XINHUA in English
0148 GMT 5 Feb 92

[Text] Washington, February 4 (XINHUA)—The U.S. Congress today raced toward approving a new 13-week extension of unemployment benefits, its first salvo of the year aimed at boosting the ailing economy.

The House overwhelmingly approved the 2.7 billion dollars expansion of jobless coverage, and an equally strong Senate passage is expected.

The avalanche of support came because members of both parties were convinced that the public would not tolerate a replay of last year's four-month partisan battle over new benefits.

In the Senate, acknowledgement of the need for the extra benefits also crossed party lines.

President Bush plans to sign the bill quickly.

Central Eurasia

New Ambassador Presents Credentials to Yeltsin

OW0402163492 Beijing XINHUA in English
1545 GMT 4 Feb 92

[Text] Moscow, February 4 (XINHUA)—Chinese Ambassador Extraordinary and Plenipotentiary to Russia Wang Jinqing presented his credentials to Russian President Boris Yeltsin today.

Wang arrived in Moscow on December 5, 1991.

Azerbaijan Reportedly Not To Accept UN Forces

OW0502055192 Beijing XINHUA in English
0514 GMT 5 Feb 92

[Text] Moscow, February 4 (XINHUA)—Azerbaijan President Ayaz Mutalibov today denied saying that Azerbaijan would accept the deployment of UN forces in Nagorno-Karabakh.

He also denied saying there was a special policy for Armenians, according to ITAR-TASS.

On the development of ties with Turkey, Pakistan and Iran, the president told the newspaper LITERARY GAZETTE that they were based on the principle of non-interference in each other's internal affairs.

West Europe

Li Peng Continues Tour in Portugal, Spain

Views Trade, Investment Accord

OW0402140192 Beijing XINHUA in English
1346 GMT 4 Feb 92

[Text] Lisbon, February 4 (XINHUA)—Visiting Chinese Premier Li Peng met with Jorge de Matos, president of the Portuguese Association for Industry, here today.

De Matos said he was delighted to meet the Chinese premier. He briefed Li Peng on his association's contacts with the China Council for the Promotion of International Trade and on the signing of a cooperation agreement between the two sides.

De Matos said Portuguese entrepreneurs are willing to expand cooperation with China in the economic and trade fields and to start joint ventures.

The Chinese premier welcomed Portuguese entrepreneurs to invest and run wholly Portuguese-funded or joint ventures in China.

Chinese firms will also open wholly China-funded or joint ventures in Portugal, he added.

The investment protection agreement between China and Portugal signed Monday is precisely aimed at further promoting the bilateral cooperation in the economic and trade fields, Li said.

Among those present at the meeting was Chinese Minister of Foreign Economic Relations and Trade Li Lanqing.

Says Relations 'Moving Forward'

OW0402162392 Beijing XINHUA in English
1521 GMT 4 Feb 92

[Text] Lisbon, February 4 (XINHUA)—Visiting Chinese Premier Li Peng today met with former Portuguese President Ramalho Eanes and Governor of Macao Rocha Vieira.

In his meeting with Eanes, Premier Li said, "Since your presidential visit to China in 1985, the relations between our two countries have in general been moving forward, which is the fruit of the joint efforts of our two countries."

Eanes said Li's visit to Portugal marked the further improvement and development of the relations between the two countries and, he noted, is conducive to China's improving relations with the E.C.

In meeting with Vieira, Li said Macao is a strong link in the relations between China and Portugal. Strengthening the cooperation between the two countries, he pointed out, has facilitated the smooth transition of power in Macao by 1999.

Bilateral Ties, Macao Discussed

OW0402182292 Beijing XINHUA Domestic Service in Chinese 1436 GMT 4 Feb 92

[By reporters Zhao Zijian (6392 1311 0256) and Chen Jiaying (7115 1367 3841)]

[Text] Lisbon, 4 February (XINHUA)—Chinese Premier Li Peng, who had been paying a formal visit to Portugal, met separately with former Portuguese President Eanes and Governor of Macao Vieira at the guesthouse where he was staying this morning. The two sides exchanged views on the expansion of Sino-Portuguese relations and the Macao issue.

Expressing his pleasure to meet Mr. Eanes again, the Chinese premier said: "Since Your Excellency's visit to China in the capacity as the president in 1985, relations between our two countries have in general been moving forward, which is the fruit of the joint efforts of the two countries. We are very happy with the development of bilateral relations."

Reviewing the development of Portuguese-Chinese relations, Eanes said Premier Li Peng's visit to Portugal marked further improvement and development of bilateral relations, adding that this not only benefits the two countries but also helps China improve its relations with the EC.

In meeting with Macao Governor Vieira, Premier Li Peng said: "Following our recent meeting in Beijing, I am very happy to meet you again today. Macao is a strong link in the relations between China and Portugal. The Chinese Government hopes that Macao will continue to enjoy stability and prosperity. Strengthening the cooperation between the two countries has facilitated the smooth transition of power in Macao by 1999. Economic ties between Macao and the Zhujiang delta are growing. China's stability and development are of utmost importance to Macao's stability and development."

Concurring with Premier Li Peng's view, Vieira said he was pleased to meet Premier Li Peng here. He said: "The Chinese leaders' statements are heartening. The implementation of the 'one country, two systems' policy can help enhance people's faith in the future of Macao."

State Councillor and concurrently Foreign Minister Qian Qichen, director Qi Huaiyuan of the State Council's Foreign Affairs Office, Vice Foreign Minister Jiang Enzhu, and Chinese Ambassador to Portugal Guo Jiading were present at the meetings.

Celebrates Festival at Embassy

OW0502080592 Beijing Central Television Program One Network in Mandarin 1100 GMT 4 Feb 92

[Report from Lisbon; from the "National News Hookup" program]

[Text] State Council Premier Li Peng and his entourage celebrated the Spring Festival at the Chinese Embassy in Portugal. This was the first time in years that a Chinese premier observed the Spring Festival overseas.

Embassy personnel, along with Chinese experts and students in Portugal, warmly welcomed the premier as he arrived at the embassy for the festivities. [Video shows Li Peng, wife, and his entourage entering the embassy to the applause of party participants] Premier Li Peng exchanged pleasantries with them and joined in making dumplings to usher in the spring. [Video shows Li Peng making a dumpling and joking with people around him]

[Begin Li Peng recording] At this joyous occasion of the Spring Festival, the comrades in my delegation and I, being tens of thousands of miles away from home, are doubly missing our relatives in the motherland. While celebrating the Spring Festival with embassy comrades in Portugal, I would like to take this opportunity to send my holiday greetings—via the China Central Television, the Beijing Central People's Radio, and other mass media—back to the motherland to all ethnic groups, workers, farmers, intellectuals, officers and men of the People's Liberation Army and the People's Armed Police Corps, and comrades at the party Central Committee with Comrade Jiang Zemin at its core. I would also like to send my holiday greetings to compatriots in Hong Kong, Macao, and Taiwan, as well as Overseas Chinese. I wish that, at this joyous occasion of the Spring Festival, you all have a happy family union and that everything goes well with you [end recording]. [Video shows close-ups of Li Peng speaking into microphones, alternating with shots of other party participants]

Li Peng said: In particular, I would like to extend my holiday greetings to Chinese diplomats and comrades engaged in other missions in various corners of the world. During the current trip in Europe and a side trip to the United States for a UN Security Council summit meeting, one thing has stuck out in my mind: that is, China is not isolated, and my delegation and I have received warm welcome wherever we went from people from all walks of life. They all have expressed admiration for China's achievements and prosperity. We have friends all over the world. As long as we firmly keep to the basic line initiated by Comrade Deng Xiaoping, follow the leadership of the party Central Committee with Comrade Jiang Zemin at its core, and advance along the socialist path with Chinese characteristics, our great motherland will be full of life and have a bright future.

Urged to perform some entertainment, the premier suggested that everyone join him in singing the song: "Unity

Is Strength." [video shows Li Peng and everyone else in the party singing the song while clapping hands]

Qian Meets Portuguese Counterpart

OW0402210692 Beijing XINHUA in English
2012 GMT 4 Feb 92

[Text] Lisbon, February 4 (XINHUA)—Chinese Foreign Minister Qian Qichen met his Portuguese counterpart Joao Pinheiro here this afternoon, exchanging views on international issues and Macao.

Both ministers agreed that, with the approach of 1999, when Macao is scheduled to rejoin China, the work of the Sino-Portuguese liaison group should speed up.

Qian, who is accompanying Chinese Premier Li Peng on a four-nation tour of Western Europe, appreciated Portugal for its efforts in promoting better relations between the E.C. and China.

"Relations between China and the E.C. have improved, and the visit by Premier Li Peng to Italy, Portugal and Spain, all of which are E.C. member countries, is just the proof," he said.

Pinheiro noted that differences between the E.C. and China in political stands should not hamper development of trade relations.

The two foreign ministers agreed that the world is going towards pluralization, and that the trend works in favor of peace and stability in the world.

Qian is due to leave here tonight with Premier Li Peng for Madrid, Spain.

Portuguese President, Li Share Views

OW0502042292 Beijing XINHUA in English
0356 GMT 5 Feb 92

[Text] Lisbon, February 4 (XINHUA)—Portuguese President Mario Soares, who had just returned from his trip to India, met with Chinese Premier Li Peng here tonight, extending a warm welcome to Li for his visit to the country.

Li thanked Soares for his meeting with him in spite of fatigue and just half of an hour after returning to Lisbon.

"This vividly shows that you attach importance to Sino-Portuguese relations and cherish friendly sentiments toward the Chinese people," he added.

President Soares told Li Peng that when he learned about Li's forthcoming visit to Portugal, he immediately summoned the Chinese ambassador to Portugal, telling him that he would certainly meet the Chinese premier.

"Maintaining Portugal-China friendly relations in various areas is of great importance," he added.

Li told his host, "the Chinese side also attaches great importance to the Sino-Portuguese relations. In the past two days, we and the Portuguese side have had very good talks."

"Both countries agreed that they will enhance cooperation, maintain the stability and prosperity of Macao, and further expand Sino-Portuguese friendship and cooperation," he added.

He also expressed his appreciation for Portugal which is willing, in its capacity of current chairman of the European Community, to work hard to promote the improvement and growth of the ties between the community and China.

Li described his current visit to Portugal as "very successful."

The meeting was followed by a banquet hosted by the Portuguese president and his wife in honor of Li Peng and his wife.

Portuguese Prime Minister Anibal Cavaco Silva and his wife were present at the banquet.

Leaves Portugal for Spain

OW0402234692 Beijing XINHUA in English
2327 GMT 4 Feb 92

[Text] Lisbon, February 4 (XINHUA)—Chinese Premier Li Peng, winding up his two-day official visit to Portugal, left here today to pay a state visit to Spain, the last leg of his four-nation tour to the Western Europe.

During his stay in Portugal the Chinese premier held talks with his Portuguese hosts and exchanged views with each other on their bilateral relations and the world situation.

The two governments also signed an investment protection agreement.

Portuguese Prime Minister Anibal Cavaco Silva saw the Chinese premier off at the airport.

Officials To Sign Investment Accord

OW0502025292 Beijing XINHUA in English
0239 GMT 5 Feb 92

[Text] Madrid, February 5 (XINHUA)—Chinese Premier Li Peng arrived here early this morning for a two-day official visit at the invitation of Spanish Prime Minister Felipe Gonzalez.

Li Peng was welcomed at the airport by Spanish Foreign Minister Francisco Fernandez Ordonez, Spanish Ambassador to China Martinez Morcillo, Chinese Ambassador to Spain Yuan Tao and other officials.

Li Peng is the third Chinese leader who has visited Spain since the two countries established diplomatic relations in 1973.

Spain is the last leg of Li Peng's four-nation West European trip, which has taken him to Italy, Switzerland, and Portugal.

In a speech at the airport, Li Peng said cooperation between China and Spain in politics, economic matters, culture and science had developed very well.

During his stay here, Li Peng is expected to meet King of Spain, Juan Carlos, the President of the Congress of Deputies, Felix Pons, and the President of the Senate, Juan Jose Laborda, and hold talks with Prime Minister Gonzalez.

In addition, the foreign ministers of the two countries will sign an agreement on the protection of investments.

Political & Social

Deng Xiaoping Cited on International Climate

HK0302145092 Hong Kong CHING PAO in Chinese
No 185, 5 Feb 92 p 36

[Article by Chung Hsiao (6988 0879): "Deng Says China Should Learn To Play Taijiquan Boxing in International Arena"]

[Text] To Prevent Peaceful Evolution, We Must Focus on High-Ranking Cadres at or Above Provincial Level

According to Beijing sources, in the second half of last November, on the eve of the convocation of the Eighth Plenary Session of the 13th CPC Central Committee, aimed at the worries that the Soviet violent changes might impact on the CPC, Deng Xiaoping pointed out once again in an address: Do not make the international climate too serious, as if we could not live on any longer. In the international arena, we must learn to play Taijiquan boxing, never claim leadership, and we should not talk tough, much less every day. These are all useless. East Europe lost the political power—but of course, communist parties are still struggling. Soviet power now is in the hands of Yeltsin and his like, and the chaotic situation will not end in the near future. But, we will continue to observe soberly when the situation can return to stability. Our country must focus on developing state-to-state relations with the Soviet Union. The two countries share a 7,000-km border, and we must try hard to maintain peace. The border areas are relatively stable and days are not bad for us. We have recently improved relations with Vietnam. Regarding Sino-U.S. relations, we must see that U.S. interests include toppling socialism, and peaceful evolution has always been here. But as long as we handle our own internal work well, we will have no fear. Internal work means proceeding perseveringly along the basic line, and especially grasping reform and opening up in the 1990's. Indeed, we should guard against peaceful evolution, and the important thing is focusing on leading cadres at or above the provincial level. Again, the key lies with leadership groups. We must resolutely walk on along the existing path. When we reach the level of a moderately developed country after decades of efforts, that will be a great victory for socialism in the whole world.

"Some People Just Will Not Stick to One Center"

The source also claimed that Deng Xiaoping was very dissatisfied with recent RENMIN RIBAO articles, saying angrily: Many recent RENMIN RIBAO articles use the "Great Cultural Revolution language" and this has had a bad influence. Would they want a full-scale criticism of the Deng Xiaoping line? What does Gao Di want to do? RENMIN RIBAO is not in our hands and does not publish articles for reform and opening up. Then I will let Guangdong and Shanghai speak. Anyway, they cannot seal our mouths!

Around 14 and 15 November last year, after visiting Nanpu Bridge in Shanghai, Deng Xiaoping again told

Wu Bangguo, Shanghai Municipal CPC Committee secretary; Shanghai Mayor Huang Ju; and Shanghai political leaders like Chen Guodong, Hu Lijiao, and Wang Daohan: Have you noticed that some people simply will not stick to the one center and just set up another center and divert and switch our attention. Shanghai must hold the banner of reform clearly and resolutely. There must be no ambiguity on this point. I do not believe their opinion-making can bring the country to their fold. Even if they want that, they cannot do this.

Deng Xiaoping's word sent shock waves within the CPC and was a great encouragement to the reformist powers. A high-ranking figure said that although Deng Xiaoping had not appeared in public since last year's Spring Festival, faced with the continual onslaughts of the conservative faction, he could not keep silent.

There are reports that Deng Xiaoping has given thoughts to the personnel arrangements of the 14th party congress. There may be some noteworthy developments around this March and April, before or after the National People's Congress opens.

Jiang Zemin, Yang Shangkun Celebrate Festival

OW0402164992 Beijing XINHUA in English
1531 GMT 4 Feb 92

[Text] Beijing, February 4 (XINHUA)—Chinese people all over the country held various activities to celebrate the Spring Festival, the most important traditional festival which falls on today.

Chinese leaders and over 4,000 people from all walks of life gathered at a grand party in Beijing today to celebrate the Lunar New Year.

General Secretary Jiang Zemin extended Spring Festival greetings to the people of all nationalities, to the workers, peasants, intellectuals, soldiers and policemen, to the compatriots in Taiwan, Hong Kong and Macao and to the Overseas Chinese.

Chinese President Yang Shangkun today celebrated the Spring Festival in Shanghai with some 800 local officials and celebrities at a reception. Yang urged that Shanghai should take faster steps in reform and opening because the city has the greatest strength in science and technology and trained personnel.

People in Haikou, capital of south China's Hainan Province, celebrated the fourth Spring Festival since the establishment of the province in 1988.

The weather in the city is rather warm as Hainan is located in the tropic zone. The large-scale flower market attracted thousands of people and added a festive atmosphere to the city.

Meanwhile in Harbin, capital of China's northernmost Heilongjiang Province, the lowest temperature was 25 centigrade degrees below zero today. Some 70 brave men

and women made a large hole in the ice and had a winter swimming today to liven the festival up.

People of Yao nationalities in central China's Hunan Province prepared enough food for the festival. They set off fireworks and then the family members sat at the fire and shared a delicious dinner on the eve of the Spring Festival.

Yang Urges Greater Reform, Opening

OW0402165692 Beijing XINHUA Domestic Service
in Chinese 1257 GMT 4 Feb 92

[By reporter Chen Maodi (7115 3029 1717)]

[Text] Shanghai, 4 Feb (XINHUA)—While attending a Spring Festival reception here this morning, President Yang Shangkun called for efforts to accelerate the pace of reform and opening and further improve the work of various fields in Shanghai.

Yang Shangkun said that during his recent trip to the special economic zones in Guangdong, he was very pleased with their marked achievements in introducing advanced technology and foreign investment to develop the local economy. Noting that Shanghai had already taken new strides in reform and opening to the outside world, he said that Shanghai should accelerate reform and opening because the municipality has the greatest strength in science and technology and trained personnel. He expressed the hope that Shanghai will soon revive and further develop its functions as a center of international trade and finance.

Recalling his visit to countries in Southeast Asia and other regions last year, the president said that leaders and people of those countries, including overseas Chinese and merchants of Chinese origin, expressed the wish that China would become a strong nation as soon as possible. He said: We should concentrate efforts to develop the national economy and do a good job in domestic work. We should have other work support this central task and strive to realize our predestined goal of doubling our national strength before the end of this century.

At the reception, secretary Wu Bangguo of the Shanghai Municipal CPC Committee and Mayor Huang Ju acknowledged the new expectations and demands that President Yang Shangkun's speech has placed on the people of various circles in Shanghai. They both pledged that in the course of deepening the reform, opening wider to the outside world, developing Pudong, and serving the whole nation, the people of Shanghai will further emancipate their thoughts, firmly grasp the central task of economic construction, and explore ways for building a gigantic international city, thereby rejuvenating Shanghai and repaying the older-generation revolutionaries' kind attention toward Shanghai with concrete actions.

Shanghai literary and artistic workers performed and provided entertainment at the reception. After their performance, President Yang Shangkun ascended to the stage to have a picture taken with the performers.

Su Buqing, vice chairman of the National Committee of the Chinese People's Political Consultative Conference, was present at the reception, which was attended by some 800 people from all walks of life in Shanghai.

QIUSHI on Human Rights Position, Practice

HK2501073092 Beijing QIUSHI in Chinese No 23,
1 Dec 91 pp 14-19

[Article by Guo Qing (6753 3237): "China's Basic Position on and Practice of Human Rights"]

[Text] On the basis of their own history and national situation and in line with their practical experience gained over a long period of time, the Chinese people have formed their own viewpoint and policies on the issue of human rights and, in the 40-odd years since the founding of the state, have made universally acknowledged achievements.

To protect the human rights of all Chinese citizens is a basic starting point of socialist China on the issue of human rights. Therefore, the most remarkable characteristic of China's human rights is their extensive application. Deng Xiaoping pointed out: "What are human rights? The human rights of how many people? Are they the rights of a handful of people, or all people across the country? The so-called 'human rights' in the Western world are different from the ones that we are discussing; so are our points of view." That Chinese affairs must be handled by all citizens of China is always the standpoint of the Chinese Government. China is a socialist country with the Communist Party in power. Socialism is a conscious movement by, and for the benefit of, an absolute majority of people. To serve all people wholeheartedly is a basic principle of the CPC. Therefore, the PRC is essentially a country in which all citizens are the master of their own affairs. The country of the citizens themselves of course bases itself on protecting the rights of all citizens.

I

The independence of a country, as well as the people's right to subsistence and right to development, are the most important rights of socialist China and the Chinese people. Resolution No. 32/130 and Resolution No. 637A(XII) of the UN General Assembly explicitly point out: Colonialism; foreign rule, occupation, and invasion; threats to state sovereignty, unity, and territorial integrity; and denial of the right to national self-determination or the economic sovereignty of various countries constitute a large-scale and serious violation of all human rights and basic freedoms of individuals and the peoples of various countries. "Only when peoples and nations have the right to self-determination can they be assured of enjoying all basic human rights." The

Chinese people profoundly share this common understanding of the people all over the world. Foreign imperialist powers invaded, occupied, and divided China's territory and suppressed, enslaved, and exploited the Chinese people for more than 100 years. In the wake of the loss of territory, a series of unequal treaties on cession of territories and payment of indemnities, and the successive large-scale massacres of the Chinese people, plus the opium trade and religious invasion that ruined the Chinese people's physical and mental health, the Chinese people's right to subsistence could not even be guaranteed. How could they talk about human rights? The people of China will never forget those monstrous crimes against the Chinese nation, such as the massacre and looting of Beijing by the eight-power allied forces, the massacre of 21 million Chinese compatriots by Japanese imperialists, the supply of guns and money to Chiang Kai-shek by U.S. imperialists to kill several million Chinese people, as well as several hundred wars of aggression, both large and small, by various powers. The people of China have realized from their personal experience that when the sovereignty of a country is trampled on, and when the whole nation is in a state of an enslaved colony and dependent territory, there is no way to guarantee the basic human rights (including the right to subsistence and the right to development) of the people of such a country and nation. To China, therefore, the most important human rights are the right to independence, the right to subsistence, and the right to development. To this end, the people of China have waged a protracted struggle and paid a high price. The founding of the PRC thus put an end to the protracted history of suppression and enslavement by imperialism and feudalism and really turned China into an independent sovereign state. The Chinese nation has never been a humiliated nation again since then. Hence, the right to subsistence and the right to development of the Chinese people are basically safeguarded. On 1 October 1949 Comrade Mao Zedong solemnly declared to the world: "The people of China, who account for one-fourth of the world's population, have stood up." This is the most important human right of the people of China. The people of China cherish highly their right of independence, which was achieved by making long-term efforts and by sacrificing blood and lives.

Proceeding from their personal experience, the people of China understand that: A nation will come under attack when it becomes backward, and the only solution is development. Political independence is, of course, the basic condition for pursuing economic, social, and cultural development. Nevertheless, the political independence will become unstable and incomplete when it is not accompanied by a high-level economic, social, and cultural development. Therefore, it is a basic task for New China to greatly develop China's national economy and culture and achieve the four modernizations so as to guarantee the people's full right to development on the basis of a high level of economic, social, and cultural development. China is a developing country with 1.1 billion people. The basic national situation marked by a

weak base, little arable land, and a huge population is a key factor restricting development by China and its people. After being plundered and damaged by imperialists and colonists in old China, the state became poor and backward, and people could find neither sufficient food to eat nor clothes to wear. This was the basis on which we pursued our development. Therefore, when we talk about human rights in China, we must first ensure that the 1.1 billion have enough to eat and wear and have improved living standards. This is the most important human right of the Chinese people. Over the past 40-odd years, both the Chinese Government and the Chinese people have made unremitting efforts in this respect.

We have eliminated the exploitation system and the exploiting class, established a socialist system with public ownership and distribution according to work as its basic feature and continuously perfected it through reforms, and worked out policies that are suited to the national situation. This is the basic way for socialist China to safeguard and promote human rights. Since the founding of the state, China has made great efforts in safeguarding and promoting human rights relating to economy and made historic progress.

The most outstanding achievement made by socialist China is that it enables the Chinese, who account for one-fifth of the world's population, to have the basic guarantee of the right to livelihood. Whether or not the living standards of the people of a country are enhanced is a major criteria for examining whether its human rights are improved. Each year in old China, tens of millions of people could neither find sufficient food to eat nor clothes to wear and many people died of hunger. Politicians of the West once stated with certainty that no Chinese Government was able to solve the problem of food for the people. After the founding of New China, China adopted an economic system with socialist public ownership as the main body, and laborers became the masters of production means and social wealth. To continuously satisfy people's material and cultural needs has become the basic goal of our socialist economic development. Though our population has increased by 1.4 times, China has succeeded, after working hard for 40 years, in solving the problem of food for its people, who account for 22 percent of the world's population, with its arable land, which accounts for only 7 percent of the world's total. This is an outstanding achievement in the world. In the wake of development of the national economy, the actual level of consumption by residents across China has increased from 76 yuan per capita in 1952 to 700 yuan per capita in 1989. After allowing for price rises, this represents an increase of 2.7 times. Since the 1980's, the World Bank has affirmed in its world development report the development of the Chinese economy and the enhancement of the people's living standards. For example, the "1988 World Development Report" held that: In China, "the long-term growth rate of its per capita GNP has been very high in the developing world." "It is precisely in the area of livelihood and basic needs that the conditions of those earning low

incomes have been much better than those in most other poverty-stricken countries." As for China's human rights, one must not ignore such dramatic changes in society, economy, and people's livelihood over the past 40-odd years in China. It is precisely on the basis of such drastic changes that the appearance of China's human rights has been correspondingly and effectively changed.

II

The system of the people's democratic dictatorship and the socialist path are the basic guarantee for realizing China's human rights. The "International Convention on Human Rights" clearly states: All people shall have the right to determine for themselves their political status, and to freely pursue their economic, social, and cultural development. The protection of people's human rights through the system of the people's democratic dictatorship and the development of socialism is the result of full-scale exercise of the right to self-determination by the Chinese people, and is a historic choice made according to China's national situation by the Chinese people after they had waged protracted struggle for human rights. In the protracted struggle against imperialism and feudalism, particularly after the Reform Movement of 1898 and the 1911 Revolution failed, the people of China realized that while China was enslaved by imperialists, the scenario of building a bourgeois democratic republic was simply an illusion. Capitalism is not the solution for saving the state and people or fighting for human rights. Therefore, the people of China chose the only correct development path of realizing the people's democratic republic and socialism through the people's democratic revolution and achieved independence for the state, national liberation, and freedom of the people. The people's democratic dictatorship is an appropriate political pattern developed by the people of China through long struggle to fight for and protect their human rights, and is a basic national system of New China.

China is a state practicing socialist democracy and legal system. Both its Constitution and laws always put particular emphasis on the protection of human rights. Through the institution of the socialist democratic system, citizens enjoy the political right of being the masters of their own affairs, and their basic human rights are protected by law. Since the founding of the state, particularly since the reform and opening up, China has made remarkable achievements in developing democracy and the legal system. Various democratic systems have been, and are being, further perfected. The development of the legal system has been put onto the right track. The goal of building a high degree of socialist democracy and a perfect socialist legal system is being gradually realized.

China attaches great importance to giving protection to people's democratic rights, and strengthening the building of the state's democracy. The system of people's congresses established in China is a major form for realizing the people's status as the master of their own

affairs, and for giving protection to citizens' political rights. All power in the PRC belongs to the people. The organs through which the people exercise state power are the National People's Congress [NPC] and the local people's congresses at different levels. The system of people's congresses is China's basic political system. Deputies to all people's congresses are chosen through democratic election; the electorate or electing units may recall or remove from office the deputies elected by them. This has thus basically provided all citizens with a guarantee in respect of the political right to administer the state. The NPC is the highest organ of state power, and local people's congresses at different levels are local organs of state power. Other state organs are established by the NPC. They are responsible to, and subject to the supervision of, the NPC. Therefore, the adoption of the system of people's congresses is a basic indication of democracy in China's political life, as well as a basic guarantee of full-scale exercise of the right to manage state affairs by Chinese citizens.

The system of multiparty cooperation and political consultation under the leadership of the Communist Party is an important system for protecting all social strata, mass organizations, and patriots from all walks of life being able to play a role in the state's political life and social life. In China, all democratic parties have cooperated with the Communist Party in the past. After the founding of the state, all democratic parties enjoyed, according to law, the equal rights of political freedom and organizational independence, and attained great development. Many democratic party members have been elected as deputies to the people's congresses at different levels. Some have even been elected as members, deputy directors, and deputy chairmen of the standing committees of the people's congresses at and above the county level. Some have also assumed leading posts in government and judicial organs. The Communist Party, along with all democratic parties, pursues "long-term coexistence, and mutual supervision; treating each other with full sincerity, and sharing weal and woe"; and the democratic parties give full play to their role of participating in government affairs, exercising democratic supervision, and uniting the masses, thereby promoting the development of socialist democracy.

The building of democracy at the grass-roots level is a basic element of the building of socialist democratic politics, as well as an important way to safeguard the direct exercise of civil rights by Chinese citizens at their place of abode. Since the founding of the state, particularly since the reform and opening up, China has extensively set up, and perfected, in enterprises and other institutions the system of workers' representatives, and established residents' committees, as well as villagers' committees, in urban and rural areas. Through these organizations, workers, as well as residents and villagers in urban and rural areas, may exercise their rights of directly managing economic and cultural undertakings and managing social affairs. From the central to local levels, various social groups and mass organizations are

established according to the different ages, sexes, and professions of their members. The government supports them in independently carrying out social activities according to law. The establishment of these systems has created good conditions for guaranteeing that people may exercise the right of managing state and social affairs.

On the issue of human rights, it is a basic goal of socialist China to safeguard people's enjoyment of a wide range of human rights. Therefore, the PRC Constitution stipulates a wide range of civil rights and freedoms. It is stipulated in the current constitution that PRC citizens not only enjoy personal rights such as freedom of the person, personal dignity, life, health, home, privacy of communication, freedom of religious belief, and lawful ownership of property; they also enjoy political rights such as the right to vote and stand for election, freedom of speech, of the press, of assembly, of association, of procession, and of demonstration; the right of criticism, suggestion, complaint, prosecution, and accusation. They also enjoy economic, social, and cultural rights such as the right to work, to employment, to rest, and to receive education; copyright protection; the freedom to engage in scientific research and cultural creation; the right to livelihood assurance; the right to material assistance; the right to health protection; and freedom of marriage. In addition, the Constitution provides that women, children, the aged, the weak, the sick, the disabled, and citizens of minority nationalities enjoy special rights of protection, in addition to enjoying completely equal rights as ordinary citizens, and are free from any discrimination. Thus, we can see that socialist China's human rights are comprehensive. They are the comprehensive integration of all aspects of rights (economic, political, social, cultural, and personal rights, and so forth). In this viable system of human rights, the personal and political rights of citizens are the necessary and important human rights. Also, the economic, social, and cultural rights of citizens are indispensable basic human rights. Each of these rights is related to, and complements, the others. It is necessary for guaranteeing free and all-around development. And to guarantee that a person may enjoy a wide range of human rights means that ample conditions for pursuing free and all-around development of the people are ensured. As the PRC Constitution embodies the above spirit, it completely conforms to the provisions of the "International Convention on Human Rights," the "Tehran Declaration," and Resolution No. 32/130 of the UN General Assembly that all human rights and fundamental freedoms are inseparable, and that attention should be paid to the political rights, as well as the economic, social, and cultural rights, of citizens.

China attaches great importance to the building of the legal system and the legal protection of human rights. It has promulgated a series of important laws, thereby forming a complete legal system based on the Constitution. Of these laws and regulations, more than 1,000 are related to human rights. In the wake of continuous

development of the legal system, government and judicial organs at different levels have cracked down on all kinds of crimes according to law, protected the civil rights and other legitimate rights of citizens, and maintained normal social order. Compared to the situation in other countries, China's social security is quite good. China is one of the world's countries where the proportion of criminal cases and the rate of criminal offenses are the lowest. According to 1990 statistics, China's proportion of criminal cases and its rate of criminal offenses are respectively 20 and six per thousand. These figures are much lower than the percentages, which are respectively 60 and 20 per thousand, in certain developed countries.

Stressing the unity between rights and duties is a fundamental principle when we talk about human rights in socialist China. Socialist China holds that rights and duties are inseparable; that there is no right that brings no duty, or duty that carries no right; that "human rights" without duties are simply privileged class rights; and that "duties" without rights are simply class suppression and enslavement. Only when rights are inseparable from duties can there be genuine "human rights." Therefore, the PRC Constitution provides: "Every citizen enjoys the rights and at the same time must perform the duties prescribed by the Constitution and the law." Moreover, China holds that all rights are relative, and that there is no absolute right or freedom in this world that is free from restriction. A concept of human rights will not be recognized in socialist China if it only emphasizes rights but ignores respect for other people's rights, as well as the rights of the state, society, and collective. Therefore, the PRC Constitution provides: "The exercise by citizens of their freedoms and rights may not infringe upon the interests of the state, of society, and of the collective, or upon the lawful freedoms and rights of other citizens." Moreover, socialist China holds that from the legal point of view, a person is the subject of rights, as well as the subject of duties. Everyone is on an equal footing with respect to the rights and duties provided under the Constitution and the law. Each person may enjoy his rights and undertakes his duties. Therefore, the Constitution provides, on the one hand, that all citizens are equal before the law and, on the other, provides that: "No organization or individual may enjoy the privilege of being above the Constitution and the law." It is worth pointing out that China's view on the unity between rights and duties fully complies with the spirit of the "Universal Declaration of Human Rights." Article 29 of the Declaration clearly provides: "Everyone has his social obligations," and "everyone should exercise his rights and freedoms within the boundary clearly prescribed by law. The only purpose of prescribing such a boundary is to ensure that the rights and freedoms of other people are given proper recognition and respect, and to meet the appropriate needs in a democratic society in terms of moral ethics, public order, and general benefit."

III

China always recognizes and affirms the objective and principle of the "UN Charter" on respecting and promoting human rights, and praises and supports the efforts of the United Nations in promoting human rights and fundamental freedoms in a comprehensive way. As early as April 1955, the "Final Communique of the Asia-African Conference," which was executed at the Bandung Conference, attended by Premier Zhou Enlai on behalf of the Chinese Government, declared that it "fully supports the fundamental principle of human rights laid down in the UN Charter, and takes notice of the Universal Declaration of Human Rights, which strives to realize a common standard for all peoples and all nations."

China holds that the international protection of activities and human rights with respect to international human rights must observe the widely accepted criteria of international law, such as sovereign equality and nonintervention. The subject of international law is sovereign states, which are also responsible for protecting the duties and rights of man. It is an obligation of a country to fully protect its people's human rights. Various countries also have the right to act according to their specific conditions, and add to their legislation all those rights enjoyed by their people; and to put such rights under the protection of the law. In addition, they may impose restrictions, and work out their own legislative, judicial, and administrative regulations, on the exercise of such rights according to their own characteristics to ensure that such rights will not be abused. The way a country realizes and protects its human rights can only be chosen by its people on their own accord in connection with that country's specific national situation. This is an affair within the scope of sovereignty of a country. International conventions and declarations on human rights are concluded between sovereign states, and each of the states must determine whether joins and accepts such conventions and declarations or not. The states must also undertake such obligations and measures for implementation prescribed in the international conventions. Such rights and duties of sovereign states cannot be substituted by any other foreign forces. Since there are differences in terms of economic, political, social, and cultural situations, as well as national traditions and historical conditions, it is normal, and an objective fact, that there are differences regarding the contents of, and the way of protecting, human rights. Just as the report of discussions on the 46th conference on human rights pointed out, no single mode of development is applicable to all cultures and peoples. It is neither proper nor feasible for any country or region to judge other countries by the yardstick of its own mode or to impose its own mode on others. It is just because of this that Section 7 of Article 2 of the UN Charter, while enhancing and encouraging the respect of human rights and fundamental freedoms by promoting international cooperation, explicitly stipulates: "Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the

domestic jurisdiction of any state." The Declaration on the Inadmissibility of Intervention in the Domestic Affairs of States and the Protection of Their Independence and Sovereignty, the Declaration on Principles of International Law Concerning Friendly Relations and Cooperation Among States in Accordance with the Charter of the United Nations, and the Declaration on the Inadmissibility of Intervention and Interference in the Internal Affairs of States, which were all adopted by the United Nations, repeatedly confirm that "no state or group of states has the right to intervene, for any reason whatsoever, in the internal or external affairs of any other State." In connection with the human rights issues, the declarations also stipulate that "every state has the duty to refrain from the exploitation and the distortion of human rights issues as a means of interference in the internal affairs of States, of exerting pressure on other States or creating distrust and disorder within and among States or groups of States." These provisions reflect the will of the overwhelming majority of countries to safeguard the fundamental principles of international law, and maintain a normal relationship between states, and are principles that must be followed in international human rights activities. The argument that the principle of noninterference in internal affairs does not apply to the issue of human rights is, in essence, a demand that sovereign states give up their state sovereignty in the field of human rights, a demand that is contrary to international law. The use of the human rights issue by some people for the political purpose of exerting pressure and imposing the ideology of one country on another is no longer a question of human rights, but a manifestation of power politics and hegemonism in the form of interference in the internal affairs of other countries. Such an abnormal phenomenon must be eliminated and rectified.

China holds that to effect international protection of human rights, we must first pay attention to the most urgent issues. Proceeding from a global scale, apartheid, racial discrimination, vestiges of colonialism, foreign domination and occupation, as well as the phenomena of denying the national self-determination right, and various countries' sovereignty to enjoy their wealth and natural resources, remain the major causes for the development of massive and ruthless violation of human rights. The gap between North and South and the existing international economic order remain a major obstacle to be faced by a large number of developing countries regarding fully exercising human rights. To a large number of developing countries, or a majority of the world's population, the most urgent human rights issue remains the right of survival, and the right to improve the conditions of existence, including clothing, food, housing, transport, employment, education, medical care, and so forth. Therefore, the international community should first give priority to these major human rights issues that attract worldwide attention. If we neither pay attention to nor solve these human rights

issues, which affect most of the world's population, it will be impossible for us to achieve any real progress on the human rights issue.

China has taken an active part in UN activities in the sphere of human rights. Since resuming its lawful seat in the United Nations in 1971, China has sent its delegation to attend every session of the UN Economic and Social Council, and of the UN General Assembly, and has taken an active part in deliberation of human rights issues, and stated its views on the issue of human rights, making its contributions to enriching the connotation of the concept of human rights. In 1979, 1980, and 1981, Chinese delegations attended as observers the 35th, 36th, and 37th sessions of the UN Human Rights Commission. In 1981, China was elected a member of the Human Rights Commission at the first regular session of the UN Economic and Social Council, and has been a member ever since. Since 1984, the human rights affairs experts recommended by China to the Human Rights Commission have been continually elected members and alternate members of the Subcommittee on Prevention of Discrimination and Protection of Minorities. The Chinese members have played an important role in the subcommission. They have become members of the Working Group on Indigenous Populations and the Working Group on Communications affiliated with the subcommission. China has taken an active part in drafting and formulating international legal instruments on human rights within the United Nations, and has sent delegates to participate in working groups charged with drafting these instruments, including the UN "Convention on the Rights of Children," the "International Convention on the Protection of the Rights of All Migrant Workers and Their Families," the "Convention Against Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment," and the "Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society To Promote and Protect Universally Recognized Human Rights and Fundamental Freedoms." The meetings of these working groups paid much attention to the suggestions and amendments put forward by China. Since 1981, China has participated in every session of the governmental experts group organized by the UN Commission on Human Rights to draft the "Declaration on the Right to Development," and made positive suggestions until the "Declaration on the Right to Development" was passed by the 41st session of the UN General Assembly in 1986. China also energetically supported the Commission on Human Rights in conducting worldwide consultation on the implementation of the right to development, and supported the proposal that the right to development be discussed as an independent agenda item in the Human Rights Commission. China has always been a co-sponsor country of the Human Rights Commission's resolution on the right to development. China has signed and acceded to seven UN human rights conventions, including the "International Convention on the Elimination of All Forms of Racial Discrimination," and the "Convention Against Torture and Other Cruel,

Inhuman, or Degrading Treatment or Punishment." The Chinese Government has always submitted reports on the implementation of the related conventions and seriously and earnestly performed the obligations it has undertaken. China has always upheld justice; made unremitting efforts to stop massive and serious infringements on human rights by racism, imperialism, neocolonialism, and hegemonism; and made contributions for safeguarding the independence, development, and human rights of the Third World countries, and for the normal development of human rights activities in the international community. Its work was respected by peoples of various countries, and was highly praised by the world's fair-minded public opinion.

The socialist system is a basic direction of development conforming to China's national situation; was chosen by China's people on their own accord; and is a basic form of society to safeguard China's people in breaking away from poverty, striving for prosperity, and achieving full-scale development of human rights. Only socialism can save and develop China. This is the basic conclusion made by China's people through their experience in the 100-odd years of revolutionary struggle and 40-odd years of construction. Socialist China has always devoted its efforts to the struggle of eliminating poverty and backwardness, and improving the people's livelihood. How can we manage to do this? The solution is to uphold the socialism with marked Chinese characteristics, and to develop in the direction of common prosperity. As we upheld this development direction, we have settled the shortage of food and clothes for China's population of 1.1 billion despite the condition wherein our present productive level is not very high. This is simply impossible under the capitalist system. It is just as Deng Xiaoping said: "If we take the road of capitalism, we may make a percentage of China's population become rich, but by no means can we help 90-odd percent of China's population get rich." Even when the GNP value reaches \$1,000 billion by the turn of this century, we can only make a percentage of China's population become rich, and all other people will still suffer from poverty and backwardness, if we act according to the capitalist distribution method. However, if we act according to the socialist principle of distribution, we may help all people across the country reach the level of being more well-off. Hence, we can see that in China, only the socialist development direction, in which distribution is made according to work and on the basis of public ownership, and which pursues common prosperity, can we ensure that all people across the country fully enjoy human rights in correspondence with the social development level. To uphold socialism means to uphold and safeguard the human rights of all people across the country.

Shanghai Procurator on Rights

OW040222292 Shanghai JIEFANG RIBAO in Chinese
29 Jan 92 p 6

[Article by Yu Yunbo (0358 0061 3134), member of the National Committee of the Chinese People's Political

Consultative Conference, vice chairman of the Shanghai Municipal Committee of the Zhi Gong Dang, and deputy procurator general of the Shanghai Municipal People's Procuratorate: "A Brief Discussion of the Protection of Human Rights and Principles Governing Sovereignty"]

[Text] Human rights have now become a major issue of universal concern in the international community. However, owing to vast differences in historical backgrounds, social systems, cultural traditions, and the levels of economic development in various countries, people do not have a consensus of view toward human rights, and human rights in different countries are not identical. This is very natural, because human rights are primarily an issue under the sovereignty of a country even though this issue has its international aspect. The relationship between the protection of human rights and principles governing sovereignty is determined by the development of human rights itself. During the course of achieving and protecting human rights, countries cannot ignore their history and actual economic, political, and cultural situations, and they must institute and protect their human rights systems through legislation. Even international protection of human rights and related activities must consider various types of political, economic, and social systems and the human rights concepts of countries with different historical, religious, and cultural backgrounds.

This being the case, the human rights issue can be observed from the following three angles.

Observing From the Foundation of Human Rights Theories

In terms of the theory of knowledge, the concept of human rights derived gradually from the concept of rights. If we briefly study the history of human rights concepts, we can see that thinkers of all descriptions were vastly different in their views about human rights. The "Theory of Natural Rights" is one concept about human rights that is quite influential in the West, but not all scholars in the West support this view. Utilitarian Ditzgen [di qin 6611 3084] and positivist Comte were against this view. Proponents of natural rights believe that human rights are there when one is born and that these rights cannot be changed, transferred, or taken away; proponents of divine rights hold that human rights, and human lives, are given by God; proponents of legal rights stress that human rights are given by law and can be restricted and deprived by law; and proponents of social rights maintain that human rights generate from social relations among people and that individual rights exist only when social interests have been safeguarded. This shows that there is no single cut-and-dry theoretical foundation of human rights. Meanwhile, concepts about human rights, which are already quite diverse, are still developing and changing. In some countries, the demand of the rights to subsist even include the "right to ample sunshine," the "right to fresh air," and so forth. In some developing countries, where people still have basic food

and clothing problems, people have no time to worry about whether they have ample sunshine or fresh air, or finding a place where there is still plenty of sunshine and fresh air. On the other hand, in some developed countries where sunshine is blocked by tall buildings and thick smoke and the atmosphere has been contaminated by harmful smog, people consider "ample sunshine" and "fresh air" as part of their rights to subsist. Because of this difference in understanding and pursuing human rights, it is difficult for us to find similar criteria for human rights that can be applicable anywhere in the world. No one country is eligible, or has the power, to assert that its human rights concepts are the most proper; much less is it eligible, or have the power, to consider that its human rights concepts are the only criteria and to unscrupulously criticize other countries' human rights, or even brazenly interfere in their internal affairs. In principle, the protection of human rights should be part of the internal affairs of a sovereign country.

Observing From Actual Protection of Human Rights

The actual performance and histories of various countries in protecting human rights tell us that the protection of human rights in various countries has been a gradual, extremely uneven development. This is because "rights can never exceed a society's economic structure and its social and cultural development controlled by the economic structure." Human rights and protection of human rights in socialist countries with systems based on public ownership certainly cannot be totally identical with those in capitalist countries with systems based on private ownership. We believe that the movement of human rights inevitably has the characteristics of the time, and the limitations generating from that constraint are understandable. As a result of historical, traditional, social, economic, and cultural differences, the content, form, and scope of human rights change and develop accordingly. Even in capitalist countries, differences in economic growth and in ethical concepts and traditional culture give rise to different concepts and ways of pursuing human rights. Such differences are also likely to exist in different regions in one country. "Collective human rights" can also be vastly different because of racial or ethnic differences and differences in social classes, origins, educational levels, sex, and age. How different were human rights between Jews and Germans during Hitler's time? How different are the states of human rights between black and white people in South Africa today? Everybody knows that in developed capitalist countries, female citizens received equal electoral rights many years after their male counterparts had that right. The United States gave American women the right to vote in 1920; it was 1928 in Britain, 1944 in France, 1945 in Italy. In Switzerland, which is known as the "window of democracy," women did not obtain their voting rights until 1971, when the issue was adopted during national balloting, and women still are not eligible to vote in some states and towns that vetoed the idea. Thus, is it possible that other countries can attack Switzerland's human rights records and interfere in its

internal affairs on this basis? The records of human rights in the United States are not always squeaky-clean, either. Violence, drug addiction, racial discrimination, distortion of human nature, serious pollution, and similar problems are rampant in the United States. Is it possible that the United States would tolerate other countries' holding human rights hearings in the United States or interfering in its sovereign affairs because of these problems?

Observing From the Relationship Between International Law and Domestic Law

As a result of the series of human rights conventions held after World War II, the issue of human rights has become part of international law. There is, however, one undeniable fact: The issue of human rights remains, first and foremost, an issue within the jurisdiction of domestic law. "Human rights are not natural; they are generated historically." States are products of mankind's historical development. Following the emergence of states, people live and conduct their activities within definite countries. In accordance with the principles governing state sovereignty, all countries prescribe the basic rights of their citizens and foreign nationals living within their domains through adopting their own laws, especially their constitutions or constitutional documents. With support from sovereign states and backed by them, legal human rights not only receive material support from the sovereign states but also protection from their laws. Without a sovereign state's sovereignty, there would not be any protection of human rights to speak of. On this issue, China and the vast number of Third World countries having gone through the pain of losing their sovereignty have learned this profound lesson—without sovereignty, there will be no human rights. Thus, as far as human rights are concerned, any country that takes advantage of human rights to promote its values, ideology, political standards, and mode of development and that interferes in the internal affairs of other countries—especially the internal affairs of the vast number of developing countries—in the name of human rights violates the norms of international law. History tells us that improvement and protection of human rights should primarily be improvement and protection of basic rights prescribed in the constitution and other laws. The United States has refused to sign several conventions on human rights. For example, in April 1991 it refused to sign the "Convention on Children's Rights" adopted by the United Nations. Citing the words of a legal adviser to the State Department, THE WASHINGTON POST pointed out that the United States refused to sign the convention for three reasons: First, it was not sure that basic human rights in the United States could be guaranteed by an international treaty. Second, basic rights in the United States are legislated to restrict certain rights of the government and not to demand that the government do certain things for the people—such as called for in the "Convention on Children's Rights"—so there were "formalistic problems." Third, the aforementioned convention "incorporates certain provisions that

are in conflict with the laws of certain states." This shows that the United States is not ready to make the slightest concession on matters involving its sovereignty. Does it not clearly indicate that human rights are delimited by national boundaries? Does it not indicate from another angle that, regarding the human rights issue, the principles of international law governing sovereignty and the principles governing noninterference in other countries' internal affairs must be respected and observed?

Under the judicial systems of all countries, the protection of human rights is, without exception, based on these countries' domestic laws, which are the basic laws enjoyed by the people of these countries. Similarly, the protection of human rights in China can only be achieved through its domestic laws. This does not mean that international cooperation is not essential for the protection of human rights. China has always been an active participant in international cooperation in combating drug trafficking, hijacking of airplanes, piracy, and the trading of people, and it has joined many international conventions on human rights. As for those conventions to which China is a signatory, the Chinese Government makes it a practice to submit reports about their implementation and earnestly fulfill its obligations as required by regulations. Nevertheless, there are basic principles that international human rights activities must follow. One important principle is that all countries are obligated to avoid exploiting or distorting human rights issues as a means to create suspicion and chaos within countries or country blocs, or between countries. This is because all international cooperation on human rights must be based on respecting the sovereignty of other countries.

In short, whether we observe the issues from the differences in basic theories or specific human rights concepts, from the actual performance of various countries in protecting their human rights or from the relationship between international law and domestic laws, the protection of human rights in all countries must be primarily the affairs of these sovereign countries themselves. To achieve and safeguard their human rights, all countries must not ignore their history and actual economic, political, and cultural situation, and all sovereign countries must ensure and protect their human rights systems through legislation. There is no model of human rights that can be applicable in all countries with different cultures and traditions and different levels of economic development, and no country, organization, or individual has the right to use its own models as criteria for judging other countries or impose its own models on other countries.

GUANGMING RIBAO on Tasks for 1992

*HK0402002292 Beijing GUANGMING RIBAO
in Chinese 1 Jan 92 p 1*

["Forge Ahead Triumphant Under Guidance of Party's Basic Line—1992 New Year Message"]

[Text] With outstanding work and gratifying result, our people bid farewell to the extraordinary year of 1991; with firm faith and great fighting will, they usher in 1992, a year full of challenges and promises.

In the past year, the international situation changed rapidly, and our duty at home was very heavy. Under the strong leadership of the CPC Central Committee, which has Comrade Jiang Zemin as the core, the whole party and the people of various nationalities in the whole country implemented the party's basic line of taking economic construction as the central task, adhering to the four cardinal principles, and upholding reform and opening; they rigorously toiled, diligently worked, built socialism with Chinese characteristics, and made world-renowned achievements. Guided by the party's basic line, socialist China advanced triumphantly toward the fixed goal amid great prosperity.

The year of 1992 is the second year in which we strive to implement the 10-Year Program for National Economic and Social Development and the Eighth Five-Year Plan, to attain the second-step strategic goal, and to enable our people's standard of living to gradually reach a comparatively well-off standard. In the new year, we must continue to resolutely and thoroughly implement the party's basic line of "one center, two basic points," and concentrate our strength to develop the economy. All work must obey and serve the central task of economic construction. When this task is done well, our country's comprehensive national strength will be greatly enhanced, and this will have a great significance in strengthening the faith in socialism and resisting peaceful evolution.

The duties in 1992 are arduous. To triumphantly accomplish these duties, so as to lay a more solid foundation for attaining the great goal in the 1990's, we must rely on the common efforts by the whole party and the people in the whole country, and on the broad masses of intellectuals to develop their talents. The times have placed high hope on workers and peasants, as well as on intellectuals. Hundreds of thousands of intellectuals in our country form a new vital force to build socialism; they are an important force which can be trusted by the party and the people.

Intellectuals on the economic construction front have heavy duties. In the new year, the economic front should deepen reform, expand the opening up, and work hard to develop the economy. The industrial front should rigorously adjust structure, promote technological advancement, change operational mechanisms, and improve economic returns. The agricultural front should continue to stabilize the system of contracted responsibilities on the household basis with remuneration linked to output, continually perfect the two-tier operation system which integrates centralization and decentralization, actively develop socialized service systems, and gradually strengthen new achievements in the collective economy. Intellectuals who work on the first front of industrial and

agricultural production, using their Marxist theory, economic management knowledge, and scientific and cultural knowledge, are an important force directly promoting economic development. We must further strengthen confidence, invigorate spirit, develop strong points, actively explore, and unite with and rely on the broad masses of workers and peasants, to work hard for new development of economic construction.

Intellectuals on the scientific and technological front have a great opportunity. The broad masses of intellectuals on the scientific and technological front, as the carriers, key creators, and transmitters of science and technology—the first productive force—have an irreplaceable role in economic construction, guiding decisions, and enhancing scientific and technological sense among the people. According to the demand by the CPC Central Committee and the State Council, in the new year, we must further shift economic construction to the track of relying on science and technology for advancement and improving workers' quality. This is a strategic shift which has great significance; it is also complicated systems engineering, requiring scientific and technological workers to explore painstakingly and make hard efforts. We can predict that our country's scientific and technological undertakings will have a new leap, and that the broad masses of intellectuals on the scientific and technological front will have plenty of space to realize their ambitions. Facing such a situation, the leadership organs and scientific and technological departments should judge the conditions, further deepen reform of scientific and technological systems, arouse as much enthusiasm as possible among intellectuals, and enable scientific and technological results to change into productive forces as soon as possible, so as to effectively promote the development of the whole national economy.

Intellectuals on the educational front have heavy duties and a long way to go. Competition among various countries in the world today is an economic competition, a competition for comprehensive national strength, scientific and technological, talent, and educational competition. In a country with backward education, it is impossible to attain modernization. The broad masses of intellectuals on the frontline of education shoulder the heavy duty of training qualified personnel for socialist modernization construction. This is a very glorious duty, as well as a basic project. We must continue to deepen educational reform; adjust and improve educational structure; integrate teaching with human cultivation; upgrade educational quality and the returns on running educational programs, as so to enable education to face the future, the world, and modernization, and to better serve socialist undertaking; and train and cultivate builders of and successors to socialism who have thorough development in the area of morality, intelligence, and physical fitness.

Intellectuals on the ideological front have a heavy duty. Facing the peaceful evolution attempted by hostile international forces and a lot of problems arising in our

country's socialist modernization construction and reform and opening up, intellectuals on the ideological front have a duty which they cannot shirk, that is, they should diligently study and apply Marxist theory, listen to the demands of the day and the call for practice, and, in the course of answering and solving the major and actual problems, develop their fighting ability and creativity. Theoretical workers should go deep into the practice among the masses; they should carry out systematic research on economic construction from different angles and views, and use the Marxist stand, viewpoint, and method to sum up and generalize fresh experiences among the people, refine them into theory, and scientifically and correctly guide practical work, so as to meet the need of the practice of construction and reform and opening up. Literary and art workers should develop our country's good tradition of socialist literary and art work, go deep among workers and peasants, go deep into reality, use the styles which the people are fond of seeing and hearing, to actively create new works which cherish the people's achievements and socialism's results. In conclusion, the building of socialism with Chinese characteristics is the basic practice by our country's people at the current stage. It is a glorious duty for the intellectuals on the ideological front to provide this great practice with correct theoretical guidance and scientific decisions, and to create a good public opinion environment and a united and adventurous atmosphere.

In the new year, the party and government leadership of various levels should further seriously implement the party's intellectual policy, trust them politically, attach importance to their work, and care for their lives. It is necessary to strengthen ideological and political work, seriously do practical things, and arouse enthusiasm among the broad masses of intellectuals so that they will strenuously and selflessly fight for the socialist motherland's prosperity and development.

In the fourth quarter of 1992, the 14th Party Congress will be held. The meeting will have great significance to our country's socialist modernization; it will be a historic meeting at which the great undertaking in building socialism with Chinese characteristics, advocated by Comrade Deng Xiaoping, will continue to be pushed forward. Let our whole party and the people in the whole country unite more closely with the CPC Central Committee which has Comrade Jiang Zemin as the core, continue to thoroughly implement the party's basic line, hoist the socialist banner, oppose bourgeois liberalization and peaceful evolution, further deepen reform, expand opening up to the outside world, strive to consolidate and develop the stable and united political situation, be confident, work steadfastly, and usher in the 14th Party Congress with more outstanding results.

Smuggling Rises in 1991; Drugs Seizures Up

HK3001092392 Beijing CHINA DAILY in English
30 Jan 92 p 1

[By staff reporter Liang Chao: "Smuggling on Rise Despite Crackdown"]

[Text] Smuggling of contraband goods in and out of the mainland over sea and land rose last year, despite an intensified government crackdown on smugglers, Chinese customs officials said.

During the past year, customs authorities seized a record 712 million yuan (\$134 million) in contraband goods and stopped more than 13,000 smuggling attempts, figures about 18.5 percent and 14 percent, respectively, higher than last year, the Customs General Administration (CGA) in Beijing said.

The incidence of smuggling doubled from 1990 along the coast of South and East China's four provinces—Guangdong, Fujian, Hainan and Zhejiang—where authorities seized goods worth 200 million yuan (\$37 million).

But the CGA said in a recent report it had caught more smugglers who used high-powered speedboats. Since last 1989, more than 300 speedboats with 1,500-horsepower motors were used for smuggling.

Last year, the four provinces dispatched more than 300 customs officers, policemen, armed police and at least eight coast guard vessels in an operation that destroyed or captured 126 smuggling boats in coastal waters facing Hong Kong, Taiwan and Macao.

Customs officials also intensified their anti-smuggling drive against the mainland-based smugglers in the coastal areas, uncovering many cases of smuggling foreign cigarettes and electronic appliances.

However, the intensified coastal security caused some smugglers to switch to land traffic, and last year, border officials seized 230 million yuan (\$42 million) in contraband goods.

Although the value of goods mainland enterprises or institutions attempted to smuggle decreased by 41 percent last year, many smuggled goods by giving false customs declarations on imports, evading customs duties or forging government-issued import certificates.

In addition, the CGA seized 25.3 kilograms of narcotics last year, four times more than in 1990 and largely exceeding the total of all drugs seized over the previous four years.

About twice as much opium and heroin were seized in 1991 compared with the previous year.

Supervision Ministry Sums Up Work of Supervisors

OW3001140992 Beijing XINHUA Domestic Service
in Chinese 0951 GMT 30 Jan 92

[By reporter Niu Changzheng (3662 7022 1767)]

[Text] Beijing, 30 Jan (XINHUA)—The Ministry of Supervision today invited 18 guest supervisors from

various democratic parties and the All-China Federation of Industry and Commerce to a forum to sum up their work in the past two years.

Speaking at the forum, Vice Minister of Supervision Xu Qing said that the guest supervisors have done a great deal of work in the past two years, which played an important role in the following three main aspects: First, they made many sincere suggestions and proposals, thus making positive contributions to helping supervisory organs tighten supervision and inspection, oppose corruption, and strengthen the work of building a clean government; second, they played an effective role in helping with investigations and studies, policy consultations, as well as with investigation and handling of cases; and third, they helped the Ministry of Supervision do research work and handle people's letters and visits, thus serving as an important link between the masses and the Ministry of Supervision. He expressed the hope that guest supervisors will work more enthusiastically in the future and make contributions to pushing forward the work of building a clean government and combating corruption.

Guest supervisors of the Ministry of Supervision were established in December 1989. At the forum today, the ministry decided to extend the tenure of guest supervisors to three years.

Minister of Supervision Wei Jianxing and Liu Yandong, deputy director of the United Front Work Department of the CPC Central Committee, attended and spoke at the meeting.

State Councillor Li Tieying Sees Disabled People

OW3001140392 Beijing XINHUA in English
1320 GMT 30 Jan 92

[Text] Beijing, January 30 (XINHUA)—State Councillor and Minister of the State Education Commission Li Tieying made a brief speech here today expressing sympathy for the country's disabled people.

Li said that the education for the disabled is a very important part of the country's total education setup. It is closely connected with the lives and development as well as the happiness of the disabled, and is also closely connected with the development of various undertakings of the country.

Li made his remarks after he visited the Beijing Sanlu Daily-Use Chemicals Plant, the Xicheng District Training School for the Mentally Retarded and Beijing's No. 3 School for Deaf Children today.

He stressed that special education for the disabled people is an important part of the country's compulsory education.

Li pointed out that governments at different levels should firmly implement the "Law on Safeguarding the Legal Rights of Disabled People" and the "Law of the

People's Republic of China on Compulsory Education" and extend more efforts for the development of special education for the disabled.

At present, Beijing has 20 schools for disabled children, and 75 special classes attached to regular schools, involving 2,859 students. These figures are increases of 82 percent, 21 percent and 39 percent, respectively, compared with 1986.

Accompanying Li were Liu Bin, vice-minister of the State Education Commission, and Guo Jianmo, vice council president of the China Disabled Persons' Federation.

Pension System for Retired Workers Reformed

OW3001120992 Beijing XINHUA in English
1143 GMT 30 Jan 92

[Text] Beijing, January 30 (XINHUA)—Chinese workers can now rest assured that they will get their pensions after retirement regardless of the performance of their enterprises.

Nearly 60 million workers now have joined the social system for pension insurance. The system, now being implemented in state-run enterprises in 98 per cent of the counties of the country, was established from funds siphoned from enterprises.

The system is widely considered an innovative departure from the traditional pension system, which depends largely on the fortunes of enterprises themselves.

Half of China's 140 million employees are workers whose pensions are paid by their enterprises. The other half are government employees who get their pensions from the government.

Pensions for 22 million retired workers in 1990 totalled 4.6 billion yuan, which constituted a heavy burden both for the government and the enterprises.

One problem which previously existed was payment of pensions by enterprises which have unusually high percentages of retired workers. A machinery factory in northeastern China having only 100 employees has more than 400 retired workers. It annually owed 300,000 yuan in pensions, to be paid out of profits of only 200,000 yuan. The new pension system will save it 100,000 yuan per year.

In the past, Chinese people usually sought employment with state-run enterprises for the pensions provided. By providing pensions to workers in collectively-run enterprises, too, the new pension system affords job-seekers a wider range of choices.

Military

Jiang Watches Revolutionary War Movie Preview

OW0302142392 Beijing XINHUA Domestic Service
in Chinese 0840 GMT 3 Feb 92

[By reporters Liu Huinian (0491 0932 1628) and Luo Yuwen (5012 3768 2429)]

[Text] "Pingjin Campaign"—the third installment of the grand movie "Great Decisive Battles" on the history of revolutionary war—previewed in Beijing recently. The preview marked the completion of all three installments of the movie, each of which consists of two parts. Accompanied by Comrade Yang Baibing, secretary general of the Central Military Commission, Jiang Zemin, Yang Shangkun, and Li Ruihuan, leading comrades of the party Central Committee and the Central Military Commission, watched the preview and spoke highly of it.

Jiang Zemin, Yang Shangkun, Li Ruihuan, Chi Haotian, and Zhao Nanqi watched the preview on the eve of the Spring Festival. After the preview, Jiang Zemin said: Like the previous two installments of "Great Decisive Battles," "Pingjin Campaign" was shot successfully. The victory in the Liaoshen, Huaihai, and Pingjin campaigns—three major campaigns having a decisive impact on China's future and destiny—constitutes a glorious chapter written by CPC members, with Comrade Mao Zedong as their paradigm, at the forefront of China's revolutionary struggle; it also constitutes a splendid product of united struggles and bloody battles waged by soldiers and civilians across the country under the CPC's leadership. Replying this illustrious segment of history on screen will certainly inspire people throughout the country to show greater love toward the CPC and firmer trust in socialism.

Jiang Zemin noted: Our socialism was not come by easily; it was achieved with the blood and lives of tens of millions of revolutionary martyrs. It is the historical duty of posterity to build the socialist motherland and to promote economic construction. We should redouble our efforts to persistently implement the party's basic line characterized by "one central task, two basic points," and to keep pushing forward the quest for socialism with Chinese characteristics.

Yang Shangkun praised "Pingjin Campaign" for its excellent filming techniques, specifically pointing out the novelty of the final scene. He said: "Liaoshen Campaign" opens with a scene showing Chairman Mao climbing a mountain, whereas this installment ends with a scene showing him scaling the Great Wall. The opening and closing scenes echo each other in a brilliant execution. The film successfully projects the cinematic image of General Fu Zuoyi with its exceptionally truthful portrayal of his complicated and conflicting feelings.

Yang Shangkun went on: The three installments of "Great Decisive Battles" were filmed according to the original general concept. When watched in sequence,

they give the impression of an integral whole while remaining discrete entities. The scenes are grand. The cast members perform quite well. Actors playing Mao Zedong and other leaders bear striking resemblance to their characters and perform brilliantly. The same is true of the actor portraying Chiang Kai-shek. He offered his congratulations on the film's success, and extended regards and New Year's greetings to all comrades of the film crew.

Li Ruihuan commended "Pingjin Campaign" for its excellent shooting techniques, as reflected in the proper execution of scenes showing military and underground struggles and in the skillful portrayal of the people's war. He said: "Great Decisive Battles" is an excellent movie of unprecedented scale, grand scenes, and meticulous skill; it has great artistic value.

The Pingjin Campaign was the last of three major campaigns that had a decisive impact on the war of liberation. The campaign led to the annihilation or reorganization of more than 520,000 Kuomintang troops and the liberation of the major cities of Beiping, Tianjin, and Zhangjiakou, basically ending the war to liberate northern China. To the audience, the movie "Pingjin Campaign" serves as a recollection of the great aura and superb military commanding skills of older-generation proletarian revolutionaries represented by Mao Zedong.

Beginning on 1 August of last year, "Liaoshen Campaign" and "Huaihai Campaign"—respectively the first and second installments of "Great Decisive Battles"—were released in various parts of the country. The release produced touching scenes where people scrambled for viewing opportunities, and generated a strong impact on the viewing public. Cadres, soldiers, workers, peasants, young people, and students characterized "Great Decisive Battles" as lively teaching material on the history of the party, the Army, and revolutionary tradition. Many audiences said: China fought to win the revolution, spilling the blood of countless revolutionary martyrs in the process. The movie increases our appreciation of the present situation. After viewing the movie, veteran comrades who took part in the revolutionary war generally indicated that the movie recaptures the enormous power of the people's war and teaches the people to always keep the party's glorious history in mind. After watching the movie, many college students said: In addition to war scenes, the movie also contains political, economic, cultural, social, and other scenes. It shows social changes in China and gives us a sense of historical dignity.

Also present at the preview were leading comrades from the Central Leading Group for Thought and Propaganda and from the three general departments of the People's Liberation Army.

Jiang Zemin Marks Festival With Beijing Army Unit
*CM0502173092 Beijing XINHUA Domestic Service
in Chinese 1320 GMT 3 Feb 92*

[Text] Beijing, 3 Feb (XINHUA)—Jiang Zemin, general secretary of the CPC Central Committee, went to visit an army unit in Beijing and observed the eve of the Spring Festival with officers and men.

On behalf of the CPC Central Committee, the State Council and the Central Military Commission, Jiang delivered a speech to a gathering.

Jiang, also chairman of the Central Military Commission, expressed thanks to all the officers and men of the People's Liberation Army (PLA), of the People's Armed Police Force, and all policemen as well as militia for their contributions to safeguarding their socialist motherland.

He also conveyed his festival greetings to all officials and the vast number of people who are working hard for socialist modernization as well as to the people of all nationalities, compatriots in Taiwan, Hong Kong and Macao and Overseas Chinese.

As the evening approached, Jiang went to the canteen of the army unit to pay a visit to those soldiers and their family members who were eating jiaozi (dumplings), a special food for the Spring Festival.

He sat at a table and shared jiaozi with some soldiers.

In a dormitory, Jiang took part in a tea party and had a cordial conversation with the soldiers.

Then Jiang went to a club where a spring festival show was going on. Jiang and other leaders watched the programs given by soldiers.

When the programs were over, Jiang joined in a chorus with soldiers, "Sing in Praise of the Socialist Motherland".

Liu Huaqing, vice chairman of the Central Military Commission, and Yang Baibing, secretary general of the Central Military Commission, were also present on the occasion.

Yang Thanks Civil Workers for Aiding Army
*OW0202041492 Beijing XINHUA Domestic Service
in Chinese 1147 GMT 1 Feb 92*

[By reporter Zhou Lixian (0719 4539 2009)]

[Text] Beijing, 1 February (XINHUA)—Today, pertinent responsible individuals from the China Committee of the International Decade for Natural Disaster Reduction and the Ministry of Civil Affairs today went on separate visits to the three general departments of the People's Liberation Army (LPA) and the Headquarters of Chinese People's Armed Police Force. They presented the three PLA general departments and the People's

Armed Police Force with silk banners of "vanguard in the flood-fighting and relief work" in appreciation of the contributions made by officers and men of the PLA and the people's armed police force during the flood season in 1991.

Yang Baibing, member of the Secretariat of the CPC Central Committee, secretary general of the Central Military Commission, and director of the General Political Department, along with pertinent responsible individuals from the three PLA general departments and the headquarters of Chinese People's Armed Police Force, attended an informal meeting. On behalf of Jiang Zemin, chairman of the Central Military Commission, and Yang Shangkun and Liu Huaqing, vice chairmen of the Central Military Commission, Yang Baibing extended his regards to more than 1 million cadres and workers on the civil affairs front nationwide and thanked them for their support and assistance to the military.

During last year's flood season, the PLA and the People's Armed Police Force mobilized more than 750,000 officers and men, called up 11.2 million militiamen and reserve troops, sent out more than 40,000 vehicles and over 790 ships, and flew 142 sorties to help with the rescue and relief work, and saved and transferred more than 1 million flood victims. The Army spent more than 100 million yuan on rescue and relief work, with more than 12 million yuan in donations. Beijing-based PLA troops donated 970,000 articles of clothing and quilts.

Li Ximing, Others at Beijing Support Work Forum
*OW0102044592 Beijing XINHUA Domestic Service
in Chinese 1421 GMT 31 Jan 92*

[By RENMIN RIBAO reporter Yan Shigui (7346 0013 6311) and XINHUA reporter Luo Xiaolu (5012 2556 6424)]

[Text] Beijing, 31 January (XINHUA)—On the eve of the Chinese Spring Festival, a forum attended by persons of military and political circles in the capital was held at the Great Hall of the People today, discussing the new situation in the work of supporting the government and military personnel.

Attending the meeting were leaders of Beijing City and the Ministry of Civil Affairs including Li Ximing, Chen Xitong, and Fan Baojun, as well as responsible persons of the PLA [People's Liberation Army] general departments, all forces, the Headquarters of Chinese People's Armed Police Force, and the Beijing Military Region, including Xu Huizi, Zhou Wenyuan, Xu Sheng, Zhang Wenhua, Gao Xingyuan, Wang Hongfu, Cui Yi, Song Wenzhong, Li Wenqing, Cheng Jianning, Chen Peiming, and Zhou Yushu.

In the past year, the work of supporting the government and military personnel focused on strengthening unity in the military and government and among the military and the people. The work, thanks to the efforts made by the party, the government, and the military, has promoted

stability and development in the capital, where all the people are enthusiastic in supporting the government and military personnel. In January this year, Xicheng District and Changping County were named as national models for the work of supporting the government and military personnel. A total of 774 neighborhood and township units in all districts and counties of Beijing City have been given the model title. Cadres, citizens, and youngsters of the city, totaling 100,500, have received lessons about national defense, national defense history, and national defense skills. A total of 1,850 leading cadres at all levels participated in the activities of military training day. Thanks to the spread of national defense education, people have a better understanding of the importance of national defense. It has become common practice among people to support and cherish military personnel. In the conscription campaign launched last winter, more than 98 percent of the young men of the correct age in the city applied to join the army.

The work of giving preferential treatment to military personnel and their families and arranging new jobs for retired soldiers has become a common and institutionalized practice. In 1991, the number of organizations for such services reached 21,000, with 140,000 personnel engaging in such work all year round. They have helped 2,800 dependents of military personnel and retired soldiers apply for a reduction or exemption of medical bills. They have raised more than 10 million yuan as a foundation for giving preferential treatment to family members of military personnel living in rural areas. In terms of content and form, new developments and breakthroughs have been made in the programs of joint construction by military personnel, police, and the people. The city has 1,281 places involved in such programs. With their joint efforts, the party, government, military, and people have built 40 civilized communities in Beijing.

PLA units and armed police stationed in Beijing have made great contributions in promoting the capital's prosperity and development. They have launched an extensive campaign of safeguarding, cherishing, and building the capital. More than 300 generals and 500 leading comrades at or above army level have participated in the work of building water conservancy projects. By providing manpower, materials, and financial funds, these units also have supported such key construction projects as the Xixiang Traffic Project, excavating silt on the bottom of the pond in the Summer Palace, and planting trees in the capital. In addition, they have spared no efforts in fighting floods and providing relief in mountain areas. Their fine officers have rendered help by offering military training to more than 100,000 college students. Demonstrating their sympathy toward people living in flood-stricken areas, the officers and soldiers stationed in Beijing donated to them nearly 10 million yuan and 970,000 articles of clothing and quilts.

Beijing Mayor Chen Xitong and Zhou Wenyan, deputy director of the General Political Department, among others, spoke at the meeting.

Spring Festival Marked by Military in Provinces

Nanjing Gathering for Cadres Held

OW3101143192 Nanjing Jiangsu People's Radio
Network in Mandarin 1015 GMT 31 Jan 92

[From the "News" program]

[Text] This morning, a Spring Festival get-together for veteran cadres of troop units stationed in Jiangsu was held at the Huadong Hotel of the Nanjing Military Region. Shi Yuxiao, political commissar of the Nanjing Military Region, expressed wishes for a happy Spring Festival and conveyed seasonal greetings to veteran comrades on behalf of the party committee and military leaders of the Nanjing Military Region. Shi Yuxiao briefed the participants at the get-together on the results and progress made by the troops last year in striving after requirements of political qualifications, professionalism, excellent work style, strict discipline, and rendering excellent logistics support. He praised and thanked retired veteran cadres for having played their roles in building the army and helping maintain social order. Some 400, including widows of veteran cadres of army level and above, of divisional level, and of regimental level, attended the get-together and watched a special performance by a military song and dance troupe.

Leading comrades who also attended the get-together included (Tu Min), Xiang Shouzhai, Fu Kuiqing, (Zhang Min), Guo Tao, Guo Xizhang, Pei Jiuzhou, Zhang Zongde, and Wang Tailan.

Zhu Senlin Visits Army Units

HK0202013392 Guangzhou Guangdong People's Radio
Network in Mandarin 0400 GMT 23 Jan 92

[Text] Yesterday, the Guangdong Zhuhai Spring Festival Army-supporting comfort group with Zhu Senlin, Guangdong governor and concurrently provincial party committee deputy secretary, as its head; and Ling Botang, vice governor; Liang Guangda, Zhuhai mayor and Zhuhai CPC Committee secretary; and Huang Jing, Zhuhai City CPC Committee deputy secretary, as its deputy heads, visited the Zhuhai garrison command, the red outpost company of the fifth detachment under the armed police, the eighth steel company at the Nanhai Sea outpost, and the fourth detachment and fourth column of the armed police, carrying with them the local people's profound feelings for, and holiday greetings to, their own Army. The group also delivered gifts and comfort letters.

Guangdong Secretary Addresses Forum

HK3001073792 Guangzhou Guangdong People's Radio
Network in Mandarin 0400 GMT 30 Jan 92

[Text] At a time when the Lunar New Year Festival is approaching, the provincial party committee and government, as well as the Guangzhou Military Region, this morning held a forum attended by party, government, and military leaders in the provincial party committee headquarters.

The forum was attended by comrades in charge of the Guangzhou Military Region, leading organs under the military region, various arms and armed services, the provincial military district, various military academies, the Guangzhou Military Subarea, the provincial armed police corps, the border defense units, and the provincial fire brigade, as well as a number of veteran comrades. The forum was attended by a total of 80 people, including Zhu Dunfa, Zhang Zhongxian, Xie Fei, Zhu Senlin, Lin Ru, Wang Ning, Wu Nansheng, and other comrades in charge of Guangdong Province as well as the Guangzhou-based Central Advisory Committee members and a number of veteran comrades, including Liu Tianfu, Zeng Sheng, Wang Quanguo, and Wang De.

At the forum, Li Chunkun, director of the Guangdong Provincial Civil Affairs Department, and Huang Zhizhong, deputy director of the Guangdong Provincial Military District Political Department, gave accounts of their respective work of supporting the army and providing preferential treatment to the families of revolutionary army men and martyrs as well as supporting the government and cherishing the people.

Zhu Dunfa, commander of the Guangzhou Military Region, delivered a speech at the forum. Zhu said: Over the past year, party committees, governments, and people at all levels in Guangdong have done a lot of good and practical work aimed at showing concern and support for the troop building. The provincial party committee and government leading comrades have also personally taken charge of the work of supporting the army and providing preferential treatment to the families of revolutionary army men and martyrs. At present, Guangdong is enjoying an excellent double support work situation. The troops should exert their utmost to further improve their work of supporting the government and cherishing the people.

On behalf of the provincial party committee and government, provincial party committee Secretary Xie Fei delivered a speech in which he spoke highly of the contributions made by the Guangdong-based troops to both the local economic construction and the double support work. Xie Fei noted: This year is a year in which our province will embark on a comprehensive and normal economic development and further deepen reforms and expand opening up.

Xie Fei stressed: We must make continued efforts to push ahead with rural reform, enterprise reform, and

scientific and technological reform; really shift economic construction into the orbit of relying on advanced science and technology and improving labor quality; and strive to promote a sustained, steady, and coordinated national economic development. To this end, we must adopt more measures to expand opening up to the outside world and bring into full play Guangdong's unique superiorities in this regard with a view to further deepening on-going reforms and pushing ahead with economic development. We must step up clean-government building, improve the work style, and go deep into the realities to do more practical things rather than practicing formalism. We must strive to push all sorts of provincial work onto a new stage in the new year.

Guangxi Leaders Visit Troops

HK0302140892 Nanning Guangxi People's Radio
Network in Mandarin 1130 GMT 29 Jan 92

[Excerpt] On the morning of 29 January, autonomous regional and Nanning City party, government, and military leading comrades happily gathered together to talk about the profound fish-and-water relations between the Army and the government as well as between the Army and the people and about Guangxi's excellent industrial and agricultural productions situation. They pledged to join hands, work shoulder to shoulder, and make concerted efforts to build a beautiful and prosperous Guangxi in the coming new year.

Autonomous regional party and government leaders, including Cheng Kejie, Peng Guikang, Li Enchao, Wang Zhuguang, Cheng Huiguang, Jin Baosheng, Wang Rongzhen, and Long Chuan, paid a high-spirited visit to the headquarters of the Guangxi Regional Military District as well as various air force and armed police units stationed in our region, where they extended appreciation to and attended a forum with the People's Liberation Army officers and soldiers as well as armed police officers and armed policemen.

Cheng Kejie, autonomous regional party committee deputy secretary and autonomous regional people's government chairman, delivered a speech at the forum. On behalf of the five principal regional leading organs, Cheng first and foremost extended festival greetings and wished happy Lunar New Year, good health, and happy family reunion to all the officers and soldiers.

Cheng said: Last year was the first year for implementing the Eighth Five-Year Plan. The regional GNP registered a 7 percent increase over 1990. Township and town enterprises also witnessed rapid development. The construction of various key construction projects also proceeded relatively well. The regional export trade also developed with a fine momentum. Our region further pushed ahead with the spiritual civilization building as well.

Cheng noted: Last year, our region also successfully hosted the national ethnic minorities sports meet, thus displaying Guangxi's social and political stability, rapid

economic development, and great solidarity between the people of all nationalities on the one hand and the officers and soldiers on the other. He pointed out: All the achievements scored by our region last year were the result of the unreserved support and assistance of the troops stationed in our region. For this, Cheng Kejie extended thanks to all the officers and soldiers. [passage omitted]

Henan's Hou Zongbin Extends Greetings

HK3101075992 Zhengzhou Henan People's Radio Network in Mandarin 2300 GMT 23 Jan 92

[Excerpts] On 22-23 January, provincial support-the-Army and Spring Festival greetings groups headed by provincial CPC Secretary Hou Zongbin, provincial Governor Li Changchun, provincial party Deputy Secretary Wu Jichuan, and provincial Vice Governor Hu Tiyun respectively went to Kaifeng, Xinxiang, Zhengzhou, and Luoyang to visit Army units, military institutes, provincial military districts, and provincial People's Armed Police Corps. [passage omitted]

Leading Comrades Hou Zongbin and Li Changchun said: On the eve of the Spring Festival, a traditional festival of the Chinese people, and on behalf of the provincial CPC committee, provincial government, and the 86 million people of the province, we cordially salute and convey our festival greetings to all officers and men of Army units stationed in the province, provincial People's Armed Police Corps, and members of the people's militia and reserve force throughout the province. Over the past year, officers and men of Army units stationed in our province and the provincial People's Armed Police Corps, in accordance with the demand of cherishing, learning from, and serving the people, have maintained and carried forward the glorious tradition of supporting the Army and cherishing the people. They have conscientiously submitted themselves to overall situation of the economic construction of the state. They have continually made new contributions to developing industrial and agricultural production in Henan, promoting key construction projects, maintaining social security, improving public welfare undertakings, and building double support cities by soldiers and civilians. [passage omitted]

They added: Taking this opportunity, we wish to express our heartfelt thanks and extend our lofty regards to them on behalf of the provincial CPC committee, provincial government, and the people of the whole province. They stressed: When the Army and civilians unite as one, they are invincible! In the new year, we shall further strengthen Army-government and Army-civilian unity. In accordance with the demand of sharing weal and woe together and linking hearts to hearts, we shall be of one heart and one mind and shall work hand in hand to promote double support work in our province to a new level. We shall strive to establish more double support

model cities and counties, invigorate Henan, and greet the convection of the 14th party congress. [passage omitted]

Hubei's Guan Guangfu Greet Units

HK0502043892 Wuhan Hubei People's Radio Network in Mandarin 1000 GMT 27 Jan

[Excerpts] During the last two days, the provincial party, government, and military Spring Festival comfort group headed by provincial party committee Secretary Guan Guangfu, provincial military command Commander Wang Shen, Political Commissioner Wang Jieqing, and Vice Governor Zhang Huainian, carrying with them the Hubei people's profound feelings for their own Army, made their way to Huanggang, Ezhou, and Huangshi to extend warm regards and Spring Festival greetings to officers and men of Army units and armed police stationed there; to help, along with local party and government leaders, the Army units solve practical problems; and to encourage both the local governments and Army units to make the double support campaign successful so as to greet the 14th CPC National Congress with new achievements.

The officers and men of Army units and armed police stationed in Huanggang, Ezhou, and Huangshi have consistently preserved and carried on the glorious tradition of building themselves into revolutionary and combat-worthy organizations. When (Dabieshan) in eastern Hubei was hit by an extraordinary flood in July last year, the 1,000 officers and men of the boat bridge brigade enthusiastically took part in the struggle against the flood and succeeded, after arduous efforts, in stopping up the gap in the dike and rescuing 1,500 people who had been stranded by flood waters. They made enormous contributions to protecting state property and ensuring safety of 60,000 people of the Xinzhou County seat. [passage omitted]

The officers and men of the armed police stationed in Hubei are charged with the tasks of maintaining social stability, preventing sudden incidents, and protecting key facilities. They made outstanding contributions in combating the flood last year. To the new generation of people's soldiers, who are selfless and fearless, dare to stand up to strong opponents, and are full of vim and vigor, Guan Guangfu said with deep feeling and excitement: On the Spring Festival occasion, more than ever we think of our dear ones. We wish to thank you dear soldiers from the People's Liberation Army for your enormous contributions in helping us conquer the extraordinary floods, building a materially and culturally advanced Hubei, and maintaining political, economic, and social stability. At the same time, you have gained fruitful results in the double support campaign. The provincial party committee and government are grateful to you, as are the people of the whole province. I hope you will continue to exert yourselves to make new achievements. [passage omitted]

Beijing Commander Sees Tianjin Soldiers

SK2901050892 Tianjin People's Radio in Mandarin
2300 GMT 28 Jan 92

[Text] On the morning of 28 January, accompanied by Standing Committee members of the Tianjin Municipal CPC Committee and leaders of the Tianjin Garrison District, Lieutenant General Wang Chengbin, commander of the Beijing Military Region, visited more than 70 veteran Red Army officers and veteran Red Army cadres living in Tianjin and cordially extended Spring Festival greetings to them.

Xing Chongzhi at Shijiazhuang Forum

SK3001102292 Shijiazhuang Hebei People's Radio
Network in Mandarin 2300 GMT 29 Jan 92

[Text] On the afternoon of 28 January, the People's Liberation Army [PLA] units stationed in Shijiazhuang held a forum to welcome the arrival of Spring Festival and to jointly discuss the great matter of building their second hometown.

In his speech at the forum, Xing Chongzhi, secretary of the provincial party committee, thanked the PLA units for their assistance and support for the development of the spiritual and material civilizations in Shijiazhuang as well as the province. On behalf of the provincial party committee and the provincial government, he also extended festive greetings to the officers and men of the PLA units stationed in Hebei and their family members.

He urged that party committees and governments at various levels should do more concrete deeds for building the PLA units and promote the construction of material and spiritual civilizations.

On behalf of the PLA units stationed in Shijiazhuang, Major General Ren Peiyi, Standing Committee member of the provincial party committee and political commissar of the provincial military district, stated that the PLA units would certainly live up to the profound expectations of the people in Hebei and would continuously make new contributions to building their second hometown.

Also addressing the forum were leaders of the military educational institute, the armored force command institute, the (armament) engineering institute, the army command institute, and a certain combined arms army unit stationed in Shijiazhuang.

Wang Qun Visits PLA Officers, Men

SK2901070492 Hohhot Inner Mongolia People's
Radio Network in Mandarin 1100 GMT 28 Jan 92

[Text] On 27 January, party, government and army leaders of the region, including Wang Qun, Bu He, Batubagen, Yang Enbo, and Yi Junhua, and leaders of relevant regional departments came to the No. 3 Company of a certain border defense PLA [People's Liberation Army] unit of the Inner Mongolia Military District

to extend cordial festive regards to officers and men of the No. 3 Company, and through them, to all PLA officers and men and to the armed police force stationed for a long time in our region on behalf of the regional party, government and army organs and the people of various nationalities across the region; congratulate them on their new achievements in work, training, and production in the past year; and express the hope that they will make new contributions during this year.

Yesterday marked the 23d date of December on the lunar calendar, and the north wind was piercingly cold on the border outposts. Wang Qun, Bu He, and other leading comrades drove in a car for more than 300 km to the No. 3 Company of a certain border defense PLA unit to shake hands one by one with the officers and men, greeting them and extending cordial regards to them. After that, leading comrades came to the officers and men to ask in detail about their work, study, and living conditions. Wang Qun and Bu He said: Comrades of the No. 3 Company have made gratifying achievements during the past year. Spring Festival will soon be here. Let me extend early Spring Festival regards to comrades, wishing you a happy Spring Festival, greater success during this year, and new achievements in strengthening border defense, stabilizing the border areas, and invigorating the economy of the border areas and the autonomous region.

The officers and men of the No. 3 Company said that people provide the support and backing for soldiers in defense of the border outposts and that the PLA will always be faithful to the motherland and the people. They continued: We will cherish the border areas as we did in cherishing our hometowns and cherish the masses of soldiers as we did in cherishing our family members, do our work in a better manner, and keep the minds of the party and the people at ease.

Regional leaders also presented some daily necessities and stationery to the grass-roots army units which they badly needed.

On their way back home, Wang Qun and other leading comrades also visited two herdsman households in (Baiyinqiata) sumu in Darhan Muminggan Joint Banner to understand their production and living conditions, and encouraged them to engage in arduous struggle continuously, to follow the road of developing animal husbandry with science and technology, to enable animal husbandry production to enter a new stage, and to take the lead in becoming fairly well-off.

Quan Shuren at Veterans' Tea

SK0102095692 Shenyang Liaoning People's Radio
Network in Mandarin 2300 GMT 31 Jan 92

[Text] The Spring Festival tea party of retired Red Army veterans and cadres sponsored by provincial-level organs was held at the activity center for retired cadres of provincial-level organs on the afternoon of 31 January. Provincial leaders and veteran comrades, including

Quan Shuren, Yue Qifeng, Sun Qi, Shang Wen, Guo Feng, Huang Oudong, Dai Suli, Li Tao, Ma Shenglin, Xu Wencai, Ge Xifan, Hu Yimin, Liu Yiyun, Zhu Chuan, Luo Dingfeng, Wang Guangzhong, Zuo Kun, Cheng Jinxiang, Li Jun, Xie Fangtian, Yang Kebing, Zhao Shi, Liu Wen, Liu Zenghao, Liu Peng, Zhao Qi, Wang Jiyuan, Tan Liren, Xu Shaofu, Shen Xianhui, Yue Weichun, Peng Xiangsong, Li Qisheng, Li Ming, Zhang Yan, and Yu Jingqing, attended the tea party.

On behalf of the provincial party committee, the provincial People's Congress, the provincial government, and the provincial committee of the Chinese People's Political Consultative Conference, Shang Wen, deputy secretary of the provincial party committee, extended cordial regards and festive greetings to the Red Army veterans and cadres present at the tea party. Shang Wen said: During the past year, our veteran comrades made important contributions to successfully carrying out all tasks. We firmly believe that during this year, veteran comrades who have a strong sense of urgency of the times and a high sense of political responsibility will continue to make new contributions to promoting our province's reforms and opening up, realizing further improvement in the national economy, and carrying out the whole province's party building and the building of socialist spiritual civilizations.

Guo Feng, member of the Central Advisory Commission, also addressed the tea party.

The veteran cadres' art troupe of the Shenyang Heping District Youth Palace and the provincial and Shenyang City art and literary workers presented brilliant programs at the tea party.

Wang Enmao at Xinjiang Gathering

OW0202055892 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 1 Feb 92

[From the "Xinjiang News" program]

[Text] The Xinjiang Autonomous Regional Hall of the People was brilliantly illuminated yesterday evening as over 3,000 residents of all nationalities in the Urumqi area happily gathered under the same roof to celebrate the advent of the 1992 Spring Festival. Among the regional leaders who attended the gathering were Wang Enmao, vice chairman of the National Committee of the Chinese People's Political Consultative Conference; Tomur Dawamat, Janabil, Li Shoushan, Amudun Niyaz, Zhang Fusen, and Jin Yunhui, deputy secretaries of the Xinjiang Autonomous Regional Party Committee; and Xinjiang Military District Commander Gao Huanchang and Political Commissar Tang Guangcai.

At the Spring Festival get-together sponsored for the Army and the people, Mao Dehua, vice chairman of the Xinjiang Autonomous Regional People's Government, delivered an impromptu speech. He said: Wind, rain, and snow herald the return of spring. The 1992 Spring Festival is soon approaching amid song and laughter. On

behalf of the Xinjiang Autonomous Regional Party Committee and the Xinjiang Autonomous Regional People's Government, I would like to take advantage of this opportunity to extend warm season's greetings and noble revolutionary greetings to all the officers and men of the People's Liberation Army and the Chinese People's Armed Police Force standing fast at their various combat posts safeguarding the motherland and to the workers, peasants, and intellectuals of all nationalities working industriously on every front of endeavor. He said: It is a great pleasure and very encouraging to know that, during the period of the Spring Festival, the people of all nationalities together with our Army made up of their sons will be jointly celebrating the tremendous achievements we scored in all fields of endeavor last year and are looking forward to the glorious and arduous tasks to be undertaken in the new year. While we are having a good time during the Spring Festival, let us rally around the party's Central Committee headed by General Secretary Jiang Zemin more closely than ever, further strengthen the ties between the Army and the government, between the Army and the people, and between different nationalities, and work hard to consolidate and promote a very favorable situation of stability and unity in the autonomous region and expedite economic development in Xinjiang.

Among other party, government, and army leaders of the autonomous region who also attended the get-together in the evening were Wang Lequan, (Haili Qiemu Silamu), Chen Xifu, Zhang Sixue, Mahinur Kasim, Zhang Shaopeng, (Kurban Ali Turbair), Abulayoufu, Li Donghui, Ba Dai, Tayier Maimaitili, Yibulayin Rouzi, Fu Bingyao, (Duan Changjin), Ulatayov, (Zhang Mingru), and Mamituofu. Retired veteran cadres in the Urumqi area and (Xie Gaozhong), deputy chief of the group of advisers of the Xinjiang Production and Construction Corps, also attended the get-together in the evening.

There were entertainment programs, lantern riddles, dances, and movies during the evening get-together, which was jointly sponsored by the Xinjiang Autonomous Regional People's Government, the Xinjiang Military District, and the Urumqi City People's Government.

Economic & Agriculture

Article Says China To Deepen Economic Reform

HK0402002692 Hong Kong LIAOWANG OVERSEAS
EDITION in Chinese No 1, 6 Jan 92 pp 8-9

[Article by Li Dibin (2621 6611 2430): "China Creates Conditions for Deepening Reform"]

[Text] In the past few years, while carrying out economic improvement and rectification, China has seized opportune moments to introduce a series of measures aimed at reforming macroeconomic operational mechanisms, thus laying a foundation for future deep-level reform of the economic structure.

As analyzed by observers here, the introduction of such seemingly sluggishly paced reform plans demonstrates a readjustment in China's reform strategy, i.e., changing from the practice of "coming straight to the point" in the last few years to one of "comprehensive coordination." Obviously, this is a more mature reform line of thought as China draws from experiences and lessons in economic reforms of the past dozen years or so.

A Good Macroeconomic Environment Is Needed To Deepen Reform

Of the reform measures already introduced, the pace of price reform is especially impressive. In May 1991, the Chinese Government successfully readjusted the selling prices of cereals and oils, which had remained unchanged for 25 years. The readjustment was of great importance to straightening out price relations between industrial and agricultural products and promoting the coordinated development of the urban and rural economies. An authoritative person disclosed that in the past year, the total amount used by the Chinese Government to readjust the prices of commodities under state control was about 30 billion yuan, involving a wide range of areas. However, these readjustments did not lead to a major market impact and social shock as originally feared by some people.

However, without controlling the balance between total supply and total demand, without the management of inflation, and without the rectification of economic order in the last two years, it is hardly imaginable that we can successfully achieve this. According to statistics, the balance ratio between total supply and total demand in China was 16.2 percent in 1988. At that time, the supply of commodities could not meet demand and, without a good macroeconomic environment, it was difficult to carry on with price reform. Through economic improvement and rectification, the balance ratio dropped to 3.9 percent in 1990, and it dropped again to 3 percent in 1991. It is precisely against this background that price reform has the necessary preconditions.

This experience, both positive and negative, has told people that only when we have a good macroeconomic environment can reform and development be conducted according to a predetermined objective.

Enterprise Reform Needs an "Escort"

Since 1991, revitalization of large and medium state enterprises has again become a central topic of reform. What is different from the past is that more and more people have come to realize that enterprise reform cannot be conducted separately. It should be studied as a whole, conducted in a coordinated way, and administered comprehensively.

In enterprise reform, China has so far adopted a series of measures, such as the contract system, amalgamation, and stocks. However, with the advance of these reforms, people discover that, if we exclusively engage in internal enterprise reform, it is difficult to go on with the reform.

Therefore, while persisting in internal enterprise reform, we should reform the macroeconomic structure, change the government function in managing the economy, and create a good external environment for the change in enterprise mechanisms and increasing vitality. This has become a consensus. In fact, only by reforming the current economic management structure that does not suit development of the socialist planned commodity economy is it possible for a flexible operational mechanism to take shape in state enterprises; only by establishing a relatively perfect social security, market circulation, pricing, and banking systems is it possible for enterprises to really become commodity producers and operators who are independent in operations and responsible for profits and losses.

The need for a "convoy" in enterprise reform has become not only a consensus but also a reality.

Over the past few years, with the progress in economic improvement and rectification, the "convoy fleet" has set sail.

—With the continued growth of the market system, reform of commodity circulation has been conducted in many economic forms, by many operational methods, and through many circulation channels. A large number of trading centers for manufactured and capital goods, wholesale markets for farm and sideline products, and city market fairs have been set up across the country. Monetary markets have also gradually taken shape. The volume of short-term financing in money markets reaches as much as 500 billion yuan at a time, and the amount of securities issued in long-term money markets has reached 200 billion yuan, with a transaction volume of over 18 billion yuan. Over 500 securities transaction centers have been set up in 70 cities, and a stock exchange has been set up in Shanghai and Shenzhen. Moreover, over 90 foreign exchange trade centers have been set up across the country, with a trading amount of \$17 billion. Real estate, labor, and technology markets, as well as services and transactions centers, have also been set up in many cities.

—With regard to price structure, three forms have gradually taken shape, namely, state-fixed, state-guided, and market-regulated prices. In the nation's 1990 retail sales, the proportion of guidance and market prices exceeded 70 percent; in the volume of farm produce sold by peasants, the proportion of market-regulated price was 52 percent; in the ex-factory prices of industrial capital goods, the proportion of market regulation was about 37 percent and the role of market regulation was greater. In 1991, while readjusting the selling price of cereals and oils, China also adjusted prices of railway transport and such basic products as crude oil and steel products. All this has laid a foundation for the establishment of a rational pricing system and a price formation mechanism.

—A macroeconomic regulation and control mechanism with the comprehensive application of economic, legal, and administrative means is being instituted. The system under which industrial and agricultural products are subject to unified state allocation, purchase, and sales has been abolished. Investment in production and construction has changed from unitary state investment in the past to multiple investment by the state, local governments, enterprises, and individuals, and the main source of funds has also shifted from reliance on financial allocation to numerous methods of fund-raising, such as bank credits, issuance of stocks, and introduction of foreign capital. The previous financial structure of not being responsible for surpluses or deficits has changed into numerous forms of contract systems under which each unit is responsible for its own surplus or deficit. The previous unitary tax system has changed into a compound one, which strengthens the function of the tax rate in regulating the economy. A two-tier banking structure headed by the central bank has been instituted. In addition to four specialized banks including the Bank of China, many kinds of monetary institutions, such as the Bank of Communications, the Bank of Development in Shenzhen and Guangdong, and jointly-invested banks, have been set up. Money supply, interest rates, and exchange rates have become important means for regulating and controlling the macroeconomy. In the 1991 reform of the financial structure, a regulatory tax for the flow of investment in fixed assets was introduced, and the work of incorporating two income tax laws involving foreign enterprises was completed.

—New headway has been made in instituting a social insurance system and reforming the housing system. So far, 52 million regular workers and staff members of state enterprises and 14 million contract workers have joined the old-age pension system. In the country as a whole, 2,227 counties and cities have made overall arrangements for old-age pensions. An unemployment insurance system for workers and staff members of state enterprises has been set up initially. In 1991, China also conducted experiments in reforming the rural old-age pension insurance system in 20 counties, and it instituted an old-age pension system for workers and staff members in foreign-related enterprises. By the end of 1990, the balance of pension funds in state enterprises across the country reached 9.6 billion yuan and that of unemployment insurance funds, 1.8 billion yuan. In 1991, the intensive reform of the housing system formed a major climate. According to initial statistics, overall coordinated reform of housing have been introduced in 12 cities and 13 counties and towns across the country, and another 300-plus cities and towns have conducted single-item reforms. Guided by the central unified policy, the localities have explored various means of housing reform in light of local conditions. Aside from doing away with low rent, other housing reform measures, such as selling public housing, building houses

cooperatively by fund-raising, and paying cash deposits for rent, are also being implemented.

All these are creating a good external environment for the reform of enterprise mechanisms, which serves as the core of reform.

Continuity, Stability, and Coordination Are Stressed in Reform

According to an analysis by experts, compared with reforms in previous years, future reform will have the following features: The reform will increase in breadth, depth, and difficulty, and partial reforms will be linked with reform of the economic and political structure as a whole. For this reason, there should be greater coordinated reforms and reform measures should have continuity and stability.

According to an authoritative person, in 1992 reforms in China will be conducted in the following three aspects:

—Proceed with changing enterprise operational mechanisms and further increase the vitality of large and medium state enterprises. As a major achievement of reform some years ago, the "Enterprise Law" will be implemented in earnest. Enterprise decision-making power in operations will be realized, with the focus on the following four aspects, i.e., cadre management, employment of workers, distribution systems, and establishment of institutions. After revision, laws and regulations in coordination with the "Enterprise Law," such as "Detailed Rules and Regulations on Implementing Enterprise Law" and "Regulations on Factory Directors' Work," will be introduced one after another. While persistently improving the enterprise contracted management responsibility system and enforcing enterprise internal management, we shall reform the method of state management over enterprises; gradually institute a new method of integrating direct and indirect management, focusing on indirect management; and push enterprises into the market in a planned way. We should promote the rational flow of production factors and advance the readjustment of enterprise organization and structure.

—Push forward reforms in macroeconomics, circulation, distribution, and other fields. Reform the existing method of planned management. State, provincial, and city authorities should, in light of conditions, reform the management method of mandatory planning and improve methods for realizing guidance planning; make further efforts to deepen reform of the investment structure around improvement of the industrial structure, product mix, and enterprise structure; comprehensively institute a compound budget system and adopt effective measures to reduce financial subsidies; institute a practice of equitable tax burdens among numerous economic sectors to create conditions for competition on an equal basis among enterprises and, beginning in 1992, reduce the income tax rate of state enterprises from 55 percent to 33 percent in three years; further improve the regulation

and control function of the central bank, study and design a scientific index system for regulating and controlling monetary policy, improve the operational mechanism of specialized banks, reduce administrative distribution and interference with regard to credits and, at the same time, establish and develop the financial market, expand the issuance of bonds and securities, and set up securities markets in big cities with the necessary conditions; in the circulation field, further reduce the variety and quantity of materials subject to unified distribution and invigorate the circulation of capital goods by instituting, on a trial basis, the practice of the state ordering or supplying some materials or placing orders for some materials through long-term forward contracts; with the development of wholesale market as the focus, make further efforts to improve the system of integrating controls with relaxation of controls over farm products and managing them according to different categories; appropriately quicken the pace of price reform by readjusting or lifting price controls over products according to different conditions; and launch reform of the housing system on a nationwide scale, comprehensively push forward the wage reform, and make further efforts to amplify the social security system.

- Vigorously conduct major reform experiments. In coordination with the reduced income tax rate for state enterprises, further expand the experiments on "separation of taxes and profits" and continue pushing forward experiments on the tax separation contract system in five provinces and three cities; steadily conduct comprehensive and coordinated reform experiments in the joint-stock system in Shenzhen and Shanghai by issuing stocks to the public; select one or two high- and new-technology industrial development zones to conduct experiments in a joint-stock system for such enterprises and in a risk investment system; expand and deepen reform experiments in tax collection and management, old-age pension, unemployment, medical social insurance, state assets management, and enterprise cost accounting systems; and continuously study the tax separation system on the basis of dividing the powers of central and local authorities, conducting experiments in some provinces and cities.

Foreign Trade Minister on 1992 Objectives

HK0502100692 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 3, 20 Jan 92 pp 3-4

[Article by Li Dibin (2621 6611 2430): "Li Lanqing, Minister of Foreign Economic Relations and Trade, on Priorities in China's Foreign Trade in 1992"]

[Text] Over the past year, China's foreign trade enterprises have put into practice the new operating system of assuming responsibility for their profits and losses. During this period, remarkable achievements have been made. According to Chinese customs' statistics, the total value of imports and exports reached 135.7 billion yuan

in 1991, an increase of 17.5 percent over 1990. What then are the work focuses and objectives of reform for the new year? Li Lanqing, minister of foreign economic relations and trade, recently told this reporter the following:

Minister Li said: China will have greater development in foreign trade, the utilization of foreign capital, the introduction of technology and professional personnel, and other aspects of foreign economic cooperation.

Speaking on the deepening of China's foreign trade structural reform he said that the direction for further reform of the foreign trade structure is mainly as follows: We will use economic levers and legal means as well as necessary scientific administrative management. In managing and regulating economic activities including import and export trade, it is necessary to avoid administrative methods in which everything has to be approved by one's superiors, enabling China's foreign trade and foreign economic structure to further adjust to the norms of international trade. It is necessary to expedite the revision and implementation of the "Law Governing Foreign Trade," a concrete measure to enhance the transparency and unity of China's foreign trade policies, rules, and regulations.

Li Lanqing said: Improving the internal operating and management mechanisms of foreign trade enterprises and upgrading their quality is another work focus for China's foreign trade this year. He disclosed that China would make more efforts to continue to expand enterprises' self-operating rights and promote the union of foreign trade enterprises and production enterprises. This will include granting import and export rights to production enterprises and substantial enterprise groups that have the necessary qualifications for the rights. In the meantime, proceeding from its national conditions, China will study and absorb beneficial international experiences, improve coordination in foreign-trade, management, and the service mechanisms of relevant government departments.

Li Lanqing especially emphasized that in the current international environment, without high-quality commodities, a country will be in a passive position or will even lose ground to keen international competition. For this reason, he called on China's foreign trade enterprises to continue to implement the strategy of "winning with quality" and to maintain and open up the international market by exporting quality commodities and taking resolute measures to prevent low-quality, shoddy, and fake commodities from entering the international market. Moreover, it is necessary in order to improve the export commodity structure, to gradually change exports from mainly semi-processed products to mainly fully processed products and make efforts to increase exports of machinery and electrical appliances, textiles and light industrial products, and high-technology products. Minister Li maintained that in order to guarantee that the above mentioned strategy is really implemented, China should make the best of the advantages of the mainland's

coastal areas, border areas, and other areas that have such conditions; China should set up different kinds of export commodity production bases that integrate trade with industry, agriculture, and technology, and it should establish a number of industry-trade integrated enterprise groups that take large, technology-intensive industrial enterprises as their core and those that take foreign trade companies as their core and are comparatively strong in their international operations. He disclosed that China would first introduce an export production quality certification system in special foreign trade factories. The system will first be tried in key export industries (textiles, machinery, electronics, and so forth) and will then be gradually promoted when experience has been gained. Through several years of work, it will be possible to establish a standardized system in this area.

Speaking on this year's import and export trade, Li Lanqing said: This year, China will, in keeping with the principle of "maintaining a basic balance between imports and exports," increase imports correspondingly as exports increase. It will also give priority to the importation of advanced-technology equipment, important materials having a bearing on the national economy and the people's livelihood, raw and processed materials which China lacks for its production and development, and some important market supplies in line with the principle of being beneficial to technological progress and sparing in the use of foreign exchange. Moreover, it is necessary to continue to maintain the importation of an appropriate scale of technology.

With respect to the absorption and utilization of foreign capital, Minister Li said that this year's work focus will be to absorb direct investment from foreign businesses, guide the direction of their investment, and pay attention to the returns from foreign capital utilization items. He said that China would continue to borrow foreign loans, keeping its ability to absorb and digest funds, especially comparatively preferential government loans and those from international financial institutions in order to expedite the development of agriculture, energy, transportation, communication, water conservancy projects, and some basic raw and processed materials for industrial projects.

Li Lanqing also said that China would continue to supply, within its abilities, economic and technological aid to friendly Third World countries in keeping with the eight foreign-aid principles and correspondingly reform its foreign-aid modes in light of changes in the international situation, gradually diversify the aid modes, continually increase their efficiency, and promote mutually equal and mutually beneficial economic cooperation.

Li Lanqing said: In 1992, China will do more to improve and promote multilateral and bilateral economic and trade relations. For example, by adopting a variety of flexible means to vigorously open up the labor market, increasing foreign contracting projects, expanding labor cooperation business, striving to sign governmental

labor cooperation agreements with more countries, further developing exchanges and cooperation with UN development organizations and other international economic organizations, actively participating in multilateral trade activities, and appropriately resolving problems in bilateral economic and trade relations on the basis of equality and mutual benefit. China will strive to resume its status as a signatory to the General Agreement on Tariffs and Trade at the earliest possible date and will strive for a better international environment for the development of its foreign trade.

Finally, Li Lanqing said: In order to bring about the common prosperity of the mainland, Taiwan, Hong Kong, and Macao, the mainland's financial and trade circles should actively promote and strengthen their various modes of economic, trade, and technological cooperation and exchanges so as to take advantage of their respective strong points and to complement and benefit one another for common development.

Steel Industry Seeks 'Massive' Foreign Investment

HK3101005092 Beijing CHINA DAILY in English
31 Jan 92 p 2

[Article by staff reporter Xie Songxin: "Steel Sector Looks To Use More Loans"]

[Text] China's iron and steel industry has started a massive campaign to use foreign investment to expand production and replace outdated equipment.

As a start, the China International Iron and Steel Investment Corporation (CSI) signed an agreement yesterday in Beijing to borrow \$34 million from a syndicate of eight Japanese banks.

The industry will borrow about \$1 billion this year to fund expansion projects in Anshan, Wuhan, Benxi, Meishan and Laiwu iron and steel companies. Most of the projects will begin operation around 1995.

The Japanese money will be used to buy technology and equipment for the construction of a hot rolling mill at the Meishan Iron and Steel Company in Jiangsu Province.

The Japanese syndicate includes the Bank of Tokyo, the Industrial Bank of Japan, the Mitsubishi Bank, the Mistui Taiyo Kobe Bank, the Gunma Bank, the Norinchukin Bank, the Ogaki Kyoritsu Bank and the Yasuda Trust and Banking Co.

Chinese officials said that the borrowing was low cost and has preferential terms, although no further details were available.

In 1990, CSI borrowed \$36 million from Japan for the project, which was one of China's key construction projects during the Eighth Five-year Plan period (1991-95).

The total investment of the project is 1.3 billion yuan (\$238 million), and its operation will enable Meishan to

produce 1.15 million tons of hot rolled steel plates a year. The product is the raw material for the cold rolling plates urgently needed in the ship-building, automobile and consumer product industries.

China produced 70.6 million tons of steel last year, compared with 66 million tons in 1990, but poor quality and lack of variety have haunted manufacturers as well as users.

China still has to buy in rolled steel to satisfy the domestic need for quality steel products. Such imports cost the country \$2.57 billion last year.

Foreign investment has been designated by the government as one of the major sources to buy advanced equipment.

CSI, inaugurated in late 1986 as an arm of the buying programme, has so far borrowed \$210 million from foreign banks and government institutions.

Tian Jiyun Inspects Guangdong Province

*OW3101153992 Beijing XINHUA in English
1503 GMT 31 Jan 92*

[Text] Guangzhou, January 31 (XINHUA)—Vice-Premier Tian Jiyun presided at a seminar on the key tasks of rural construction and development with local administrations of south China's Guangdong Province during an inspection tour.

Tian, also a member of the Political Bureau of the Central Committee of the Communist Party of China (CPC), said at the seminar that local administrations and people should open their minds wider and do down-to-earth work in the implementation of reform and opening to the outside world.

The vice-premier heard reports from four cities and eight counties, including the cities of Zhanjiang, Maoming, Yangjiang and Jiangmen, during his tour.

He pointed out that the experiences of these cities and counties have shown that the only way out for rural areas is to develop agriculture together with forestry, animal husbandry, sideline industry and fisheries.

Tian stressed that local governments should firmly implement the spirit of the Eighth Plenary Session of the 13th Central Committee of the Chinese Communist Party held in late 1991, persist in the policy of combining planned economy with market regulation and extend more efforts for the development of agriculture and the service industries.

During his tour, Tian also visited the Dashuiqiao Sugar Plant in Xuwen County, the Zhanjiang Sanxing Automobile Manufacturing Company and the Maoming Petrochemicals Company. He encouraged state-run enterprises to improve their product quality and economic efficiency, and contribute more to the country's economic development.

Visits Leizhou Peninsula

*OW3101214292 Beijing XINHUA Domestic Service
in Chinese 1400 GMT 31 Jan 92*

[By reporter Wang Chuanzhen (3769 0278 4176)]

[Text] Guangzhou, 31 Jan (XINHUA)—During his inspection tour in Guangdong, Tian Jiyun, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, encouraged local cadres and people to further emancipate their minds, have greater courage, and do even more solid, faster, and better work in reform and opening to the outside world.

In last few days, Vice Premier Tian Jiyun, accompanied by Vice Governor of Guangdong Province Ling Botang, inspected Zhanjiang, Maoming, Yangjiang and Jiangmen Cities and discussed with local party and government leaders the priorities and the orientation of development of the current rural work.

The prefecture of Zhanjiang, covering the whole Leizhou Peninsula, has been economically backward for a long time due to such unfavorable factors as a shortage of fresh water and inadequate transportation. In the last several years, Zhanjiang City has mobilized the people to raise capital funds to plant trees, grow vegetables, breed shrimp, and undertake developmental agriculture in line with local conditions. The entire peninsula which is now a scene of greenery and prosperity has become China's largest production base for sugar, oranges, shrimp and vegetables for the northern market. Vice Premier Tian Jiyun visited sugar cane fields and orchards and shared the local people's joy of bumper harvests. He happily praised Leizhou Peninsula for rapid economic development.

Vice Premier Tian Jiyun's automobile journey exceeded 800 kilometers. Along the route, he listened to briefings by the responsible comrades of four cities and eight counties. He pointed out: The agricultural development in the Leizhou Peninsula and western Guangdong shows that in order to enable rural people to lead a fairly comfortable life in the 1990's, we must develop agriculture, forestry, animal husbandry, sideline production and fisheries in an all-around way; stress good quality, high yields, and efficiency; engage in crop cultivation, aquaculture, and processing industries simultaneously; integrate agriculture, industry and commerce; combine domestic trade with foreign trade; and advance agriculture through application of science and the promotion of education. Tian Jiyun emphasized the necessity of implementing the guidelines of the Eighth Plenary Session of the 13th CPC Central Committee in a firm and all-around way, adhering to the principle of integrating a planned economy and market regulation, energetically developing secondary and tertiary industries, making some farmers gradually shift from crop cultivation to non-agricultural undertakings, promoting the construction of small towns, and guiding the farmers to become fairly well-off.

Tian Jiyun successively inspected some large and medium state-owned enterprises, including the Dashui-qiao sugar mill in Xuwen County, the Sanxing automobile manufacturing company in Zhanjiang City, the Maoming petrochemical company, the Yangjiang knife factory, and the Jiangxing fruit and vegetable freshness preservation plant in Jiangmen City. He cordially chatted with the workers in workshops, and he encouraged state-owned enterprises to "upgrade products, raise technological level, stress economic efficiency, and make contributions."

Chen Junsheng Inspects Henan Cattle Ranches

OW3101023892 Beijing XINHUA Domestic Service
in Chinese 1123 GMT 30 Jan 92

[By XINHUA reporter Wu Chengde (2976 2052 1795) and HENAN RIBAO reporter Zhao Tiejun (6392 6993 6511)]

[Excerpts] Zhengzhou, 30 Jan (XINHUA) —Ushering in the 12th month of the Year of the Ram, peasants from Zhoukou Prefecture in Henan Province drive their cattle to the livestock market. A mature cow fetches over 1,000 yuan, bringing profits of 400-500 yuan and enabling purchases for the Spring Festival. The peasants will exclaim with joy: "In order to go from just having enough food and clothing to leading a comfortable life, we must rear more cattle!"

Having learned that Zhoukou Prefecture is well-known for achieving prosperity through raising cattle, State Councillor Chen Junsheng availed himself of a mid-winter opportunity in the last month of the lunar year to inspect eight villages in Shangshui, Huiyang, Shenqiu, and Fugou Counties. He visited scores of peasant households and cattle sheds, chatted with local peasants, and carried out investigations and studies, affirming the achievements of the burgeoning cattle-raising industry in localities.

In the past two years, Henan Province has raised a total of 8.88 million head of cattle, sold 2.12 million head, and produced 240,000 tons of beef, all of which led not only the whole province, but the entire nation. About half of peasant households in the eight villages in the four counties rear two cows each. On average, each sells three cows every two years, with an average annual income of over 1,500 yuan, which represents approximately 40 percent of the agricultural industry's gross income. Those with a long-term perspective will raise cattle. These households have all begun to prosper. [passage omitted]

After his inspection tour, State Councillor Chen Junsheng said: Just by examining cattle raising in farming areas of the thickly populated limited flatlands, one can see bright prospects for the household contract responsibility system with remuneration linked to output. We must establish a sound social service system and promote all-around development of farming, forestry, animal husbandry, sideline production and fishery. Then

the collective economy will grow from strength to strength, and the broad masses of peasants will become more well-off and be able to live comfortably sooner.

Official on Focus of 1992 Price Reform

HK3001064992 Hong Kong CHING CHI TAO PAO
in Chinese No 4, 20 Jan 92 p 8

["China Economic News" article: "Price Reform This Year To Focus on Energy, Transport, Basic Raw Materials"]

[Text] Zou Xiangqun, deputy director of the State Administration of Commodity Prices, said the other day that China's price reform in 1992 would still be centered on various aspects, such as readjusting the structure, improving economic results, invigorating large and medium enterprises, and strengthening agriculture. The focus will be on energy, transportation, basic raw materials, and agriculture.

He said: The policy and objectives of the housing system and the basic principles will be worked out by the state in a unified way, but the specific methods and steps to be taken will generally be decided by various provinces, municipalities, and autonomous regions. The general orientation of the housing reform is to start from the reform of the distribution mechanism and adopt numerous methods to increase input of housing building funds.

The orientation of the 1992 pricing structure reform is still relaxation and invigoration. Since last year, the state has gradually delegated to various provinces, municipalities, and autonomous regions the right to examine and approve the prices of some goods, and the number of commodity categories which needs special approval from the State Council has been reduced from 13 to five. Moreover, the state has also unified the double-track prices of such means of production as rubber, cement, which is subject to unified allocation; cold-rolled silicon steel plates; and thin, tin-coated plates.

Commentator on Party Leadership, Rural Work

HK3101080392 Beijing RENMIN RIBAO in Chinese
22 Jan 92 p 1

[Commentator's article: "Strengthen Party's Leadership Over Rural Work"]

[Text] The CPC Central Committee's Decision on Further Strengthening Agriculture and Rural Work suggests that the party's leadership over rural work is further strengthened. We must firmly stick to this principle when implementing the guidelines laid down by the Eighth Plenary Session of the 13th CPC Central Committee.

In order to lead hundreds of millions of peasants in following the socialist road with Chinese characteristics and to fulfill the magnificent goal relating to rural reform

and construction in the 1990's, we must strengthen the party's leadership over rural work. This is what our historical experience has told us and is a real need.

As far as the party's leadership over rural work is concerned, we must not only carry forward the party's fine tradition regarding rural work, but must also keep up with the new situation in rural construction and reform. To strengthen the party's leadership over rural work in the new historical period, the very basic requirement we must fulfill is to comprehensively and accurately implement the party's basic line and all the principles and policies the party has formulated for rural areas, constantly carry out rural reform in depth, develop the rural economy on a full scale, guide the vast number of peasants to take the road to common prosperity, and promote socialist material and spiritual civilizations side by side, thus building new socialist rural areas with Chinese characteristics. Our peasants, agriculture, and rural work today are all different from those in the 1950's, 1960's, and 1970's. Those practices with which we were familiar before are no longer applicable today, while many new things with which we are unfamiliar are waiting for us to explore. The whole party must be determined to devote more efforts to thoroughly studying rural issues. Leading party cadres at all levels must conscientiously and persistently study new cases, solve new issues, and keep the initiative in exercising leadership over rural work.

To strengthen the party's leadership over rural work, we must uphold the important guiding ideology laid down by the Third Plenary Session of the 11th CPC Central Committee. Namely, while intensifying ideological education in patriotism, collectivism, and socialism among the peasants, we must show full concern for the peasants' material interests economically, and politically we must extend solid safeguards to their democratic rights. As far as the party's work is concerned, we must attach importance to theoretical guidance as well as practical work, and we must show the peasants the bright prospects they will have if they follow the party along the socialist road while striving to increase their material benefits in real life. To achieve this, on the one hand, our party cadres at all levels must be adept at conducting ideological and political work in a vivid and efficient way, and, on the other, we must do practical work in the peasants' interest all the time. We must integrate theory with practice, make the two aspects complement each other, and strive to find a new way to improve the party's work in rural areas.

Great successes have been achieved in rural reform in China over the past 10 years or so. As reform is in keeping with the fundamental interests of the vast number of peasants, it has been enthusiastically endorsed and fully supported by the peasants. To strengthen the party's leadership over rural work, we must strengthen the party's leadership over the in-depth development of rural reform. The Eighth Plenary Session of the 13th CPC Central Committee pointed out: For the in-depth development of rural reform in the

future, the focus has to be placed on four aspects, namely, to further stabilize the responsibility system whose main form is the contract system linking remuneration to output on a household basis; to constantly improve the two-tier management structure which integrates unified management with individual management; to vigorously develop a socialized service system; and to gradually expand the collective economy. These four aspects, which form a mutually complementary integrated whole, must not be interpreted separately and in a lopsided manner. Our party committees must comprehensively and accurately implement this guideline as a whole, so as to ensure that in-depth rural reform will win more support and develop more quickly.

The socialist ideological education drive that is going on everywhere in rural areas at present is basic work to strengthen the party's leadership, consolidate the socialist front in rural areas, and accomplish our second-stage strategic goal. The key to the quality of rural work lies in a strong and powerful party branch and a strong and capable party branch secretary. It is necessary to turn our party branches in rural areas into strong and powerful political cores through education. We rely on grass-roots cadres in rural areas to implement the party and government's line, principles, and policies. Working in the first front of rural work, these cadres play a leading role in materializing all the ideas of their superiors. They undertake heavy tasks and are work under very difficult conditions. Our party committees and governments at all levels must show concern for them and support them through different channels, and, at the same time, help them enhance their ideological understanding, sense of policy, and working ability so that they can wholeheartedly serve the people.

At present, the 900 million Chinese peasants, guided and inspired by the "Decision" adopted by the Eighth Plenary Session of the 13th CPC Central Committee, are working with full confidence and very high morale. We hope our party organizations at all levels can keep up with the situation, conscientiously improve their work style, maintain close ties with the masses, and work in a down-to-earth manner, thus bringing about further progress in the situation in rural areas.

Hubei Governor Supports Three Gorges Project

HK2901080492 Beijing RENMIN RIBAO
in Chinese 11 Jan 92 p 2

[Article on "Three Gorges Project Forum" by Hubei Governor Guo Shuyan (6753 2885 6056): "Building the Three Gorges Project Is the Wish of the Hubei People"]

[Text] The Three Gorges project is an extra-large project aimed at the comprehensive harnessing of the Chang Jiang and development of the river's resources. This project, which is expected to produce tremendous returns, is of far-reaching significance. As it has an extremely important bearing on the economic and social development of Hubei province, we Hubei people are

looking forward to the starting of this project more eagerly than anyone else in China.

1. The Jing Jiang Section Is the Most Dangerous Along the 10,000-li Chang Jiang

Jiangnan Plain is of great importance to Hubei province's economy. The plain has 28,582,000 mu of farmland, which accounts for 51.5 percent of the province's total farmland, and accommodates a population of 24,305,000, or 50.2 percent of the province's total population. On the plain lie Wuhan city, the largest city in China's hinterland and other rising industrial cities, such as Huangshi, Shashi, Yichang, Ezhou, Jingmen, and Xiangfan, and the Jiangnan oil field. Trunk railroads, such as the Beijing-Guangzhou railroad, the Wuhan-Chongqing railroad, and the Wuhan-Daye railroad pass through this area. With its fertile soil, the Jiangnan Plain is a major area of grain, cotton, oil-bearing crop, and fish production. The plain contributes 60 percent of the province's total grain output; 85 percent of the province's total cotton output; 70 percent of the province's total oil-bearing crop output; and 90 percent of the province's total output of aquatic products. Therefore, industrial and agricultural production in Jiangnan Plain is of decisive importance to the economic development and living standards of the province.

However, Jiangnan Plain is on a low altitude and only protected against flooding by the Jingjiang dike and other dikes. During the flood season, the river's water level is more than 10 meters above the plain. As the base of the Jingjiang dike is not firm enough and is subject to constant erosion, the dike collapses and the base leaks. That is why the saying goes: "The Jing Jiang section is the most dangerous along the 10,000-li-long Chang Jiang." Over the centuries a vast number of laboring people have relied on the dike for protection against flooding. Although they regularly maintained the dike in winter and kept a high alert against floods in summer, they could hardly escape from the misery that happened from time to time and were occasionally forced to flee their flooded home towns or villages. According to historical records, in the more than 2,000 years from the Han Dynasty to the late Qing Dynasty, this area was stricken by a total of more than 200 floods of varying scale. In other words, the area was flooded once every decade on average. In this century alone, we have experienced four large floods in 1931, 1935, 1949, and 1954 respectively. The flood in 1931 overwhelmed the entire Jiangnan Plain, 54 counties in the province were afflicted by the flood, 26.5 million mu of farmland was flooded, and the total number of people affected by the flood was 11.52 million. The breach of the Shagouzi section of the Jing Jiang dike at Jiangling caused particularly heavy casualties. This great tragedy resulted in a death toll of 140,000 people on the middle and lower reaches of the Chang Jiang. The cities of Wuhan, Wuchang, and Hanyang were flooded for 133 days and the flood level went up to as high as four meters.

In order to safeguard the security of Jiangnan Plain, Hubei people have made great efforts and withstood extremely heavy burdens. Over the past 40 years since the founding of the PRC, the party and the government, together with local people under their leadership, have done a great deal of work to harness the Chang Jiang. In Hubei province alone, maintenance and intensification work has been done along a total of more than 9,300 km of dikes; more than 230,000 hidden troubles have been eliminated; sections of unstable river bank with a total length of 380 km or more have been strengthened; more than 6,300 large, medium, and small reservoirs have been built along tributaries of the Chang Jiang; and facilities have been built over an area of several thousand square km, including the Jing Jiang river valley and Dujiatai, which have been set aside as flood-diversion or flood-storage zones. Although these measures have raised this province's flood fighting capacity to a certain extent, they have also imposed an extremely heavy burden on Hubei people. Every year, the winter-spring dike maintenance operation in the province requires over 60 million standardized labor days, which means each laborer shares more than 60 labor days on average; the annual flood prevention operation involves about 300,000 people and needs a total amount of work of 9 million labor days, which means each laborer shares 30 standardized labor days.

There are a total of 13 flood-diversion and flood-storage zones across the province. If the province is hit by a flood as large as that in 1954 or one even more serious, all flood-diversion and flood-storage zones will have to be opened as flood outlets. That will cause a total of 5.26 million mu of farmland to be flooded and a population of 3.47 million to be affected and will result in an economic loss of not less than 10 billion yuan. By the way, the theoretically safe areas are actually not safe because the state's financial resources are limited, the population in the flood-diversion and flood-storage zones has grown very rapidly, and both the road network and telecommunication facilities there are not modern. Once these flood-diversion and flood-storage zones are opened for flood drainage, it will be very hard to guarantee the safety of the people there. Therefore, after the founding of the PRC, the vast number of cadres and masses guard dikes day and night and are alert all the time during every flood season. If any extraordinarily great flood, such as the one in 1970, took place, both the south and north banks would be flooded; the flood would head further southward to Dongting Hu; overwhelm Jiangnan Plain in the north, thus threatening Wuhan and flooding cities and towns, destroying farmland, and causing tremendous casualties. This is by no means alarmist talk! According to the Chang Jiang flood cycle, the possibility of this is getting greater and greater. Whether the flood intrudes south to Hunan or north to Hubei, it would be a catastrophe for China and would have an immeasurable impact on social stability and economic development. If this really happened, who would be accountable to the party, the people, and history.

In order to ensure the safety and property of tens of millions of people in the middle and lower reaches of Chang Jiang and to guarantee the steady economic development of these areas, it is unwise to postpone the Three Gorges project. Instead, the earlier it is started, the greater initiative we will hold and the better we can satisfy the people's desire.

2. Difficulties Can Be Overcome, Shortcomings Can Be Remedied

The Three Gorges project has aroused many debates over the past few years. Up to now, some comrades continue to worry about the impact of the construction of the Three Gorges project. They have aired different opinions. This is a normal phenomenon which is understandable. As far as such a major project is concerned, it is very hard for people to reach 100-percent consensus. It would not be very likely for us to reach a complete consensus even if the debate was to drag on for another several years or several decades. Similarly, one cannot expect a matter to be good in every aspect as advantages and disadvantages are always mixed together. The crux of the problem is whether advantages are predominant over disadvantages or the other way round and whether the disadvantages can be alleviated or eliminated. An important mission for mankind is to know nature, reform nature, and use nature. I have read the feasibility studies by experts and have heard many experts' views on the project. In my opinion, in a modern society where science is being divided into smaller and smaller branches, there is no reason why we should not set store by the opinions of experts who have rich experience in their specialized fields. One can hardly avoid wrong conclusions if one makes judgments on a complicated issue based simply on some general concepts. Having compared the views of different circles, I believe that the advantages of the Three Gorges project outweigh its disadvantages and many of the expected disadvantages can well be overcome through our efforts.

Many comrades are worried about the evacuation of residents. This task is very arduous and very complicated indeed. However, as viewed from the evacuation pilot project we have conducted in Yichang Prefecture, if we follow the proposal set forth by the feasibility study report and assist the residents in the proposed reservoir area to rebuild their homes, resume production, and develop the economy, they will be satisfied and will welcome the project. More than 100,000 people in this province will need to be evacuated and Zigui County will have to take care of more migrants than others. An evacuation project was conducted in Shuitianba village in Zigui County over the past few years. The village has a population of 2,002 and its total farmland area is 2,025 mu. According to the principle of evacuating residents to nearby areas, 4,700 mu of barren land will be reclaimed under the pilot project. So far, 2,300 mu has already been reclaimed and the per-mu investment in land reclamation is about 800 yuan. Of the reclaimed land, more than 1,000 mu has been planted with tangerine orchards, and harvests are expected in the next two to

three years. When these orchards are run at their full capacity, the per-mu income could reach 600 to 1,000 yuan. The local people have had no complaint about the evacuation project and are quite satisfied so far.

We are sure that the evacuation issue prior to the Three Gorge project will not be a painful experience nor a disaster but a new hope and opportunity for development. If the project is suspended and no decision is made, then no construction projects can be launched in this area, nor can local people move out of it. This development will slow down the economic development of counties and cities within the projected reservoir area considerably. What is more, in the wake of continuous growth in population and the increase in investments in the area, more and more assets will be liable to be flooded after the project is completed so the expenses incurred will increase, greater evacuation difficulties will be involved, and the amount of investment required will increase further.

With regard to the ecological problem, some experts have put forth many good opinions and proposals which are worth being studied and materialized in the future. However, we must be aware that for ecological and environmental protection and improvement, we must rely on the broad masses of the people. Natural disasters and poverty are the greatest destroyers of the ecological environment, whereas the foremost prerequisite for the solution to the ecological problem in this area and north China as well is that tens of millions of people on the middle and lower reaches of the Chang Jiang should be released once and for all from the threat of flood and should be able to wholeheartedly engage in economic construction. People in the reservoir area should get rid of poverty and become rich as soon as possible and the water of the Chang Jiang should be diverted to improve the well-being of people living to the north of the river and in north China.

There are more problems like this which can basically be solved through effort. By and large, the situation has been made clear, both advantages and disadvantages have been well evaluated, and the conditions are ripe for us to make a decision. It is hoped that the state will make the decision as soon as possible.

3. Hubei People Are Willing To Do Their Utmost To Support the Three Gorges Project

The main dam of the Three Gorges project is to be built within Hubei Province. We people of Hubei Province will take the initiative and do our utmost to undertake our due responsibility in the construction of the project. We plan to accomplish the following tasks in the near future:

1. We are to expand the migrant resettlement pilot project and step up preparations for the resettlement of migrants from the projected dam area. We plan to increase investment and find a way to further improve migrant resettlement work. At present, some 20,000 people are to be evacuated from the site of the Three

Gorges dam with 1,800 mu of land in cultivation. We are to draw up a plan as soon as possible to resettle these people to ensure that the engineering personnel can move onto the site as soon as the decision is made to start the Three Gorges project.

2. We are to step up construction of the Chang Jiang flood prevention system. Flood prevention along the Chang Jiang is a system engineering project. The completion of the Three Gorges project will by no means imply that the flood problem along the river is solved once and for all. We will still need to continue to strengthen dikes along the river and make greater efforts to study and solve problems concerning the maintenance of dike bases and dike bodies and to deal with collapsing banks. At the same time, we must work harder to harness the river, remove obstacles to flood drainage, step up the construction of flood division and storage zones as planned by the state, formulate a flood division and storage policy and other flood prevention measures that involve no civil engineering work, vigorously strengthen water and soil conservation, and thus build up a real Chang Jiang flood prevention system that integrates the

Three Gorges reservoir, the dikes along both river banks, and flood division and storage construction so as to ensure the safety of the Jing Jiang dike, industrial and agricultural production in the middle and lower reaches of the Chang Jiang, as well as the safety of people and property in this area to enable the Jiangnan Plain to do away with the danger of frequent flooding that has threatened local people for centuries.

3. We are to mobilize the people of all the province to do their share in the construction of the project. The Three Gorges project will be a great project which will become a focus of world attention. Once the state decides to start the project, all the country will extend strong support and the Hubei people will be no exception. Party and government organs, as well as the people in Hubei province, will carry forward the spirit of "self-reliance and hard work," submit themselves to the general interests, take the initiative in undertaking difficult tasks, and provide every convenience for the construction of the Three Gorges project, thus ensuring as scheduled the project's smooth completion to qualitative and quantitative standards.

East Region

Anhui Congress Appoints, Removes Officials

OW0102034192 Hefei ANHUI RIBAO in Chinese
25 Jan 92 p 1

["List of Appointments and Removals made by the Anhui Provincial People's Congress Standing Committee"—ANHUI RIBAO headline]

[Text] The following resolution was adopted by the 28th Session of the Seventh Anhui Provincial People's Congress Standing Committee on 24 January 1991:

1. It was resolved to appoint:

Zhao Hengqu [6392 5899 5698] as chairman of the Foreign Economic Relations and Trade Commission of the provincial people's government.

Chen Ruiding [7115 3843 7844] as director of the Public Security Department of the provincial people's government.

Qi Banghan [2058 6721 3352] as director of the Justice Department of the provincial people's government

2. It was resolved to remove:

Wang Qinghua from his post as chairman of the provincial Foreign Economic Relations and Trade.

Wang Shengjun from his post as director of the provincial Public Security Department.

Chen Ruiding from his post as director of the provincial Justice Department.

Flood-Hit Anhui Maintains Economic Growth in 1991

OW0502063192 Beijing XINHUA in English
0556 GMT 5 Feb 92

[Text] Hefei, February 5 (XINHUA)—East China's Anhui Province maintained a steady economic growth last year despite severe flooding.

Although agricultural production was affected by the flooding last summer, the province maintained normal operation of all other sectors of its economy including industrial production, capital construction, commodity circulation and foreign trade. This has provided a sound basis for the further growth of the province's economy in the coming years.

The province's grain output was 30 percent less last year than in 1990. The output of oil bearing crops suffered a drop of 25 percent, and the harvest of cash crops was reduced. Some 25.99 million people in the province were affected by flooding.

The province's revenue last year was 860 million yuan less than planned, and at the same time, financial expenditure increased 30 percent over 1990.

Fighting against flooding, the province first made efforts to restore the normal production of industrial enterprises. And it also took the opportunity to improve the product structure and technical standards of these enterprises.

The central government has given the province full support in funds and technology to restore its industrial production. With the help from the central government, the province not only put into operation again most of the flood-affected enterprises in two months after the flooding, but greatly increased the competitiveness of some enterprises by improving the enterprise structure and closing poor ones.

As a result, in 1991 the province registered a 10.6 percent increase in its gross industrial output over 1990.

Since the last quarter of 1991, the province's economy has started an all-round recovery.

All major construction projects in the province have been going on smoothly, and five of the seven major projects were completed as scheduled last year. The province's transportation network will be improved with the completion of the Tongling highway bridge over the Yangtze river, the new naval route along the Xinan river and the Hefei-Jiujiang railway.

In the campaign to harness the Huaihe river beginning late last year, the province completed a lot of water conservancy projects that involved 457 million cu m [cubic meters] of earth and stone work.

The province restored the operation of its commercial network shortly after the flooding. It has also built over 100 rural markets in the flood-hit areas to secure the supply of daily necessities for flood victims. The market in the province remained steady last year and annual retail sales volume increased 6.6 percent over 1990.

The province's export trade saw a slight increase last year, too. In order to maintain the normal growth of its foreign trade, the province enlarged the proportion of industrial products in its total exports. It also took a larger stride to draw foreign investment. The province approved more foreign-funded enterprises last year than in previous years. The harbor of Wuhu city on the Yangtze river was opened to foreign ships last year.

Chen Guangyi on Developing Export-Oriented Economy

OW0502042992 Beijing XINHUA in English
0250 GMT 5 Feb 92

[Text] Fuzhou, February 5 (XINHUA)—East China's Fujian Province has recently decided to introduce more funds, technology and talented people from overseas in order to promote the development of its export-oriented economy, according to Chen Guangyi, secretary of the provincial committee of the Chinese Communist Party.

Chen said that the province will redouble efforts in attracting and using foreign funds, including overseas investment, loans from foreign banks and loans from foreign governments.

The province will also pay attention to the development of large high-tech projects, export-oriented agricultural projects, basic facilities and industrial projects, Chen said.

The province will further expand cooperation in agricultural development and technology with Taiwan business people to develop an export-oriented agriculture during the 1990s, Chen said.

According to Chen, the province plans to set [up] a number of Fujian-Taiwan agricultural cooperation zones.

Chen said that the province will continue to develop light and textile industries, and industries of shoe-making, food and electronics and also promote the petrochemical industry and auto industry.

The province will devote major efforts to importing advanced technology, management expertise and talents.

Meanwhile, the province will strengthen technological cooperation and exchanges with overseas, especially with Overseas Chinese and compatriots in Taiwan, Hong Kong and Macao, and will send more technological personnel abroad to study advanced experience.

Foreign-Invested Firms Called 'Important' Force

HK3101060092 Fuzhou FUJIAN RIBAO in Chinese
17 Dec 91 pp 1, 2

[By reporter Liu zhicheng (0491 1807 2052) and correspondent Hu Dunan (5170 3256 0589): "Foreign-Invested Enterprises—Important Economic Force in Our Province"]

[Text] In the past 12 years of reform and opening up, our province actively utilized the special policy and flexible measures granted by the central authorities; diligently developed the strong points coming from Hong Kong, Taiwan, Overseas Chinese, and special economic zones [SZE's]; continually improved the investment environment; and vigorously attracted foreign funds to establish foreign-invested enterprises. At present, foreign-invested enterprises have already become an important economic force in our province, participating in the international market and showing tremendous stamina.

According to statistics, up to the end of October this year, our province has approved 4,701 foreign-invested projects, signed contracts on use of foreign funds amounting to \$4.2 billion, and actually utilized \$1.66 billion. From January to October this year, the province's 2,602 operating foreign-invested enterprises produced an industrial output value of 11.351 billion yuan, a 43.1-percent increase over the same period last year,

and the newly added output value accounted for 52 percent of the province's newly added industrial output value.

Our province's multi-tier pattern of opening up to the outside world has taken shape. Xiamen SEZ and Fuzhou Economic and Technological Development Zone have become important "windows" for opening up to the outside world and for attracting foreign funds. Coastal cities such as Fuzhou, Xiamen, Zhangzhou, Quanzhou, and Putian have continuously strengthened their comprehensive export-oriented function, vigorously stimulating the development of export-oriented economy in the Minjiang and Jiulongjiang deltas and Meizhou Bay; and 33 open coastal counties have developed a number of key products by themselves, as well as some industrial satellite towns.

The development of foreign-invested enterprises in our province has the following features:

- The investment domain expands gradually, and structure becomes more rational. Before 1985, foreign investment went mostly to textile, machinery, electronics, and other simple processing industries, and to the construction of hotels and development of tourism. Since 1986, investment has continuously expanded to some 20 trades, including electronics, medicine, construction materials, and chemical industry, and over 90 percent of the projects are of a productive nature, while 80 percent of the products are exports or made by advanced technology. In recent years, the proportion of foreign funds in technology-intensive enterprises reached 30 percent, and there was a good trend in using foreign funds to build basic facilities and industries. Xiamen Tongyi Pier, built by Chinese and foreign funds, has started operation; Fujian Rongqiao Pier, also a Sino-foreign joint venture, has completed construction, and the joint venture fleet has set sail.
- The investment scale has changed from investing in medium and small projects to investing in large, medium, and small projects simultaneously. Before 1990, the province had only 24 projects each utilizing \$10 million of foreign funds. At the "8 September" trade fair this year, we signed contracts on some 20 projects each utilizing \$10 million of foreign funds. Some projects, each with a foreign investment of \$100 million, are being built or planned.
- Investment behavior has changed from a short-term to a long-term nature, and the operation situation generally improved. According to the statistics at the end of 1990, 85 percent of the operating foreign-invested enterprises in our province had earned profits, and their contract periods usually surpassed 15 years, and many surpassed 30-50 years.
- Investment gradually spread from the open coastal areas to the hills in the interior. From 1979 to 1987, Longyan, Sanming, Nanping, and Lingde approved only 105 foreign-invested enterprises. At present, foreign businessmen have pooled funds to develop the hills, mines, and forest resources in the interior. As of

the end of last year, the number of enterprises in these four interior cities increased to 419, four times the number approved before 1987. At the Xiamen Investment and Trade Fair this year, Longyan signed a contract with foreign businessmen on investing \$20 million in developing a whole stretch of land in Yongding Xianfu Industrial Zone; this is the first project of development of a whole stretch of land by foreign businessmen in a place which has not yet opened up to the outside world.

Since this year, the provincial party committee and government have adopted a series of important decisions and steps and the use of foreign funds has made two breakthroughs.

First, development of a whole stretch of land has become an important pattern of foreign investment. Since this year, the provincial party committee and government have adopted a series of measures to encourage foreign businessmen to develop or operate whole stretches of land. At present, the province has already approved 27 projects to develop whole stretches of land, involving 20.86 square km and \$500 million in foreign funds. The work in attracting foreign funds to develop whole stretches of land has also proceeded rapidly.

Second, the use of foreign funds for agricultural purposes also made a breakthrough. Before 1990, the province had approved only 181 agricultural projects for directly using foreign funds, with contracts involving \$134 million. In the first half of this year, at the first provincial discussion meeting on comprehensive development of agriculture and the Asia-Pacific Trade Fair in Hong Kong, 335 contracts on use of foreign funds were signed, involving nearly \$500 million. In October, at the Symposium on Agricultural, Economic, and Technological Cooperation Between Dongshan, Fujian, and Taiwan, 39 contracts on use of foreign funds for agricultural purposes were signed, involving \$37.22 million in investments.

The rapid development of foreign-invested enterprises has played an active role in our province's social and economic developments. In 1990, the province's foreign-invested enterprises accounted for 27 percent of the industrial output value produced at and above township level, and paid 11 percent of the revenue collected by the province.

Our province's work in using foreign funds to establish foreign-invested enterprises also faces many problems which must be urgently looked into and solved. For example, the problems of integrating the preferential policy for certain areas with the preferential policy for certain industries; of the building of an investment environment; and of capital, tax evasion, trade union, and protection of workers' legitimate rights should receive our earnest attention, and must be continuously solved in the course of practice.

Tax Departments Score 'Marked Results' in 1991

HK3101060592 Fuzhou Fujian People's Radio
Network in Mandarin 1100 GMT 22 Jan 92

[Text] Our province's tax departments scored marked results last year. Last year, tax departments' incomes of all sorts was over 6.5 billion yuan, up 11.7 percent over 1990, of which 5.1 billion yuan were industrial and commercial taxes, up more than 600 million over 1990, and the amount of additional taxes was the largest since the Seventh Five-Year Plan. Last year, our province's tax departments also made great progress in applying microcomputers and in building the contingent. The provincial taxation department allocated 700,000 yuan to expand the development and application of microcomputers. At present, tax departments in 10 counties, cities, and districts are carrying out the management of computerized billing and 303 tax collecting units are carrying out the standardized management of tax collection and management information, thus achieving the hoped-for objective. As for contingent building, last year, discipline inspection organizations under leading party groups were set up at the prefectural and city levels, thus readjusting and strengthening the leading groups of tax departments in five prefectures and cities. At the county, city, and departmental levels, 43 cadres were promoted to new posts and place-to-place exchanges for 1,927 cadres at and above the office chief level were arranged. Good results were also obtained in the socialist education carried out in basic-level tax collecting offices and centers in cities and townships. Last year, the provincial department set up socialist educational experimental points in 171 basic-level units. Through education, it corrected with comparatively good results the incorrect practices of basic-level tax collecting offices and centers, such as illegitimate demands for food and money. This has further improved taxation practices and discipline.

Two Returned by Taiwan Sentenced to Death

HK0102015192 Beijing ZHONGGUO XINWEN SHE
in English 1457 GMT 31 Jan 92

[Text] Zhangzhou, January 31 (CNS)—Two criminals sent back by the Taiwan police to Dongshan Island in Fujian Province were sentenced to death after being found guilty of robbery and illegally leaving the country.

The two criminals, Huang Jinyong and Huang Jinfu, were accused of wounding and robbing two watchmen guarding a vessel on the night of October 7, 1990, after boarding the fishing vessel moored at Nanmenwo Pier in Tongling Town on Dongshan Island. The men later hijacked the vessel to Tainan in Taiwan where they were apprehended by the local police, who repatriated them back to Dongshan County on the Mainland several months later.

The two men stood trial at a local court which finally found them guilty of robbery, attempted murder and illegally sneaking out of the country. The two watchmen had been attacked with knives and the vessel they

absconded in to Taiwan was valued at RMB [Renminbi] 950,000. The death penalty was handed down on the two men by the court.

The two criminals filed an appeal to the Fujian Province Higher People's Court which finally rejected their appeal and upheld the original sentence.

Study, Publication of Plenary Guidelines Urged

*OW1901042892 Nanjing XINHUA RIBAO in Chinese
10 Jan 92 p 1*

[Article by XINHUA RIBAO commentator: "Conscientiously Study, Extensively Publicize the Guidelines of the Eighth Plenary Session of the 13th CPC Central Committee"]

[Text] The "Decision of the CPC Central Committee on Further Strengthening Agriculture and Work in Rural Areas," adopted by the Eighth Plenary Session of the 13th CPC Central Committee, gives a comprehensive summation of the successful experiences in China's rural reform and construction in the 1980's, further defines the main tasks of the 1990's, and provides the relevant principles and policies in specific terms. The "decision" is a programmatic document for guiding agriculture and rural work in China for a long time to come. Party committees and governments at all levels in Jiangsu should earnestly study and extensively publicize the guidelines of the Eighth Plenary Session, should regard the study and publicity as a matter of prime importance, and should keep constant tabs on this work.

The Eighth Plenary Session has attached great importance to agriculture and rural work. The "decision" states in the first place that "agriculture is the foundation of economic development, social stability, and national independence; agriculture and rural work have always been the fundamental issue of China's revolution and construction." This scientific judgment explains that to promote agriculture and rural work is not only an economic issue, but even more so a major political issue having a vital bearing on the overall situation. Therefore the guidelines must be studied in rural as well as urban areas, and by agricultural departments as well as all trades and professions. When the large number of cadres and people in urban and rural areas thoroughly recognize the important role and position of agriculture and rural work in building socialism with Chinese characteristics, only then will we be able to achieve unity in understanding based on the guidelines, be able to fire enthusiasm in building a new socialist countryside, be able to make all trades and professions duty-bound in supporting agriculture and the rural economy, and be able to further push forward the socialist modernization construction in Jiangsu.

In earnestly studying and extensively publicizing the guidelines of the Eighth Plenary Session, we should proceed from the realities of each locality in going all out to publicize the "decision" and in whipping up high tides in study and implementation, as we previously did for

the "Outlines of 40 Principles for Agricultural Development" and several "No. 1 documents." The "decision," which encompasses various aspects of agriculture and rural work, consists of 40 articles in 10 parts. The provincial and city party schools' training classes should devote additional time to studying the "decision," while county and township party schools should train cadres to study and publicize the "decision." Leading organs at all levels should organize cadres to diligently study the "decision" and comprehensively implement it in conjunction with their duties.

The "decision" emphasizes the importance of the fundamental position of agriculture and expounds the basic tasks of China's agriculture and rural work in the 1990's. The "decision" should be the focus of study in the winter training of party members and cadres in rural areas. It is necessary to combine the publicity of the "decision" with the ongoing socialist ideological education in rural areas in order that the guidelines of the Eighth Plenary Session will be known to every household and will strike root in the hearts of all people. The propaganda department of each locality should promptly organize forces to compile practical, interesting, and easy-to-understand materials for publicizing the guidelines. So long as we study, publicize, and implement the guidelines of the Eighth Plenary Session in a realistic manner, we will be able to transform the powerful spiritual force into tremendous material strength so as to further deepen rural reform and ensure advances in agriculture and rural work in Jiangsu.

Jiangsu Rural Enterprises Use More Foreign Funds

*OW0102143292 Beijing XINHUA in English
1412 GMT 1 Feb 92*

[Text] Nanjing, February 1 (XINHUA)—Rural enterprises in eastern China's Jiangsu Province last year used 183 million U.S. dollars of foreign investment, more than the sum of all previous years.

The foreign investment was mainly used in joint ventures or companies using the funds for processing or assembling materials supplied by overseas clients. The number of such enterprises has doubled in the past 12 months to 1,044.

These achievements were made despite heavy flooding last summer, local officials said. Local farmers made great efforts to reduce the losses to their factories caused by the floods. As a result, rural enterprises in Jiangsu Province quickly recovered their production capacity and ensured a timely delivery of export commodities, thus winning themselves greater prestige.

Statistics also show that the number of rural enterprises processing export goods in Jiangsu has surpassed 5,000, accounting for about 5 percent of their total. The output volume of their export products reached 14 billion yuan.

Jiangsu To Build Two New Railway Lines

OW0402074092 Beijing XINHUA in English
0706 GMT 4 Feb 92

[Text] Nanjing, February 4 (XINHUA)—Jiangsu, an economically developed coastal province in East China, will build two local railways—one from Xinyi to Changxing and the other from Nanjing to Nantong, according to information from the provincial Planning and Economic Commissions today.

The first line extends 666 kilometers and needs an investment of 1.9 billion yuan, and the other runs 264 kilometers. The funds for the construction of the railway lines will all be collected locally, and when completed, they will be managed entirely by the local authorities.

The two railways will help improve communications conditions in northern Jiangsu, a commodity grain production base, and link the region with the Yangtze River Delta, which is poised to witness swift development in the coming decades with the opening of the Pudong new area in Shanghai, China's leading metropolis.

Mao Zhiyong Attends Spring Festival Gathering

HK0502044092 Nanchang Jiangxi People's Radio
Network in Mandarin 1100 GMT 25 Jan 92

[Excerpts] This morning, the second floor of the Jiangxi Guesthouse Club was filled with a warm atmosphere, and spring was very much in the air. Provincial and Nanchang city model workers held a forum here to celebrate Spring Festival. [passage omitted]

Those who attended the forum included provincial and Xian city leaders Mao Zhiyong [provincial party secretary], Wu Guanzheng, Liu Fangren, Ma Shichang, Zhang Fengyu, Shu Shengyou, (Liu Zhonghou), (Wang Shufeng), Xu Qing, Sun Xiyue, Zhou Zhiping, Shu Huiguo, Wu Ping, (Zhang Yuxiang), and Jiang Zhongping.; Bai Dongcai, member of the Central Advisory Commission; veteran comrades Zhao Zengyi and (Li Sheng); and representatives of model workers at all levels from Nanchang city and various parts of the province.

Zhang Fengyu, member of the provincial CPC Committee Standing Committee, presided over the forum. Provincial party Deputy Secretary Liu Fangren delivered a speech. [passage omitted]

Jiang Chunyun Visits Workers Before Festival

SK0502070592 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 4 Feb 92

[Excerpt] On Spring Festival, everything in Shandong looked fresh and gay and all fronts were full of joy. Before Spring Festival, leading comrades of the provincial party committee and the provincial government went to the grass roots to solicit opinions and to talk about the reform work and the future; cordially visited the vast number of staff members and workers, security cadres and policemen, and armed police officers and

men who stood fast at their posts; and visited family members of model workers and revolutionary martyrs. Leading comrades offered Spring Festival greetings to them and wished their whole families happy.

At the end of the Year of the Sheep at Jinan Oil Refinery, Jiang Chunyun, secretary of the provincial party committee; Miao Fenglin, Standing Committee member of the provincial party committee and director of the propaganda department; and Ma Shizhong, vice governor of the provincial government, cordially met with the model workers of the refinery and heard the work reports made by the refinery leaders.

Last year, the oil refinery realized 264 million yuan of profits and taxes and 883 million yuan of sales income, increasing by 84.1 percent and 45.2 percent respectively over the previous year. The per capita economic results ranked the refinery first in China.

Jiang Chunyun went to [words indistinct] workshop, asked, in detail, the [words indistinct] situation, was informed of the development plan of the refinery, and also tried to understand its difficulties.

Jiang Chunyun pointed out: To improve state-owned large and medium-sized enterprises, there must be good mechanisms. This reflects that enterprises should not only have good planning and market mechanisms but should also realistically reform the distribution system so as to further mobilize the enthusiasm of the vast number of staff and workers. We should wholeheartedly rely on the working class and make the staff and workers work in the spirit of being the masters of enterprises.

He urged that the refinery should further improve the building of leading bodies, exercise strict management, positively apply advanced production techniques, strive to send its products to the international market, and create more foreign exchange for the state.

At Huangtai Power Plant, Jiang Chunyun zestfully examined the power generating units, shook hands with the workers on duty, and extended Spring Festival greetings to them.

The plant leaders said: The plant strengthened power production during the holidays and comprehensively ensured the supply of electricity for the dwellers in Jinan from 3 to 8 February.

Jiang Chunyun was very pleased to hear this. He said: It is necessary to [words indistinct] electricity. Electricity is the necessary guarantee for economic development and the people's livelihood. So, we should steadily increase the power production, set high and strict demands on the electricity front, and make persistent efforts to create the first-class achievements. Meanwhile, all professions and trades as well as the society as a whole should economize on the use of electricity. Under the strained power supply circumstances, we should support the campaign of increasing production, practicing economy, increasing

revenues, and reducing expenditures; and ensure a steady and harmonious development of the national economy.

On the afternoon of 2 February, Zhao Zhihao, deputy secretary of the provincial party committee and governor of the provincial government; and Zhang Ruifeng, vice governor of the provincial government, visited the Jinan post office. [passage omitted]

Shandong's 1991 Economic Achievements Summarized

SK0402062292 Jinan Shandong People's Radio Network in Mandarin 2300 GMT 3 Feb 92

[Summary] During the past year, Shandong Province witnessed political and social stability, and the economy developed in a good direction. The markets were brisk, the prices were stable, and the people were living a secure and happy life. Last year, the province's GNP increased 9.8 percent; the national income increased 10.4 percent; and the rate of difference between social supply and demand was 1 percent or so. Thus, we met the demand of fulfilling the rectification objective in three years.

An overall agricultural bumper harvest was reaped in 1991, and the rural economy was further invigorated. The annual grain output increased 9.7 percent, an all-time record, ranking first in the whole province. During the past year, industrial production rose steadily and economic efficiency improved noticeably. The total industrial output value increased 17.1 percent; the sales income increased 19 percent; the profits and taxes increased 18.5 percent; the per-capita labor productivity rose by 7.4 percent; deficits incurred by money-losing enterprises declined by 9.4 percent; and the fulfillment of all economic and technical targets was among the best in the whole country.

Construction of key projects was strengthened during the past year. The whole province's investment in fixed assets increased 17.9 percent. Construction progress and quality of the 57 state and provincial key construction projects were better than the previous year. Many projects such as the Hualu power plant became model projects for the whole country. The urban and rural markets were brisk over the past year, and commodities were abundant. The retail sales of commodities increased 16 percent; the transaction volume of country fairs rose by 26.5 percent; and the income of residents increased steadily. The average per-capita income for living expenses of urban residents increased 11.2 percent, and the average per-capita net income of peasants rose by 12.3 percent, ranking among the best in the whole country.

Report on Qingdao Anti-Pornography Campaign

OW3001140692 Beijing XINHUA in English 1302 GMT 30 Jan 92

[Text] Qingdao, January 30 (XINHUA)—This coastal city in east China's Shandong Province is carrying out an anti-pornography campaign.

Five criminals involved in trading in pornographic publications in the city have already been sentenced to imprisonment from one to seven years.

In the past two years Qingdao has confiscated 920,000 copies of unlawful publications, closed down 18 private bookstores which broke law and dealt with 120 pornovideotape trading cases, with 154 criminals punished.

The Qingdao municipal party committee and government have been paying greater attention to anti-porn work, and municipal leaders have called a number of special meetings to hear reports from related departments.

In 1989 the city set up a special committee for the administration of press, publications and culture, so as to eliminate pornography.

Since 1991 the city has cleaned out a number of pornography trading networks.

Wu Bangguo on Furthering Economic Construction

OW0402084592 Shanghai JIEFANG RIBAO in Chinese 31 Jan 92 p 1

[Excerpt] A 1992 Spring Festival tea party for model workers was held yesterday at the Yinhe Guesthouse. Wu Bangguo, Huang Ju, Chen Zhili, Ni Hongfu, Chen Tiedi, Chen Guodong, Zhang Dinghong, Ye Gongqi, Wu Zengliang, and other municipal party and government leaders attended the tea party. Also present were Zhang Qi, a veteran of the Shanghai workers movement, and responsible comrades of the locally stationed units of the People's Liberation Army, the Shanghai Group of the People's Armed Police Force, the municipal federation of trade unions, the municipal committee of the Communist Youth League, and the municipal women's federation.

At 1400, a festive atmosphere prevailed at the Yinhe Guesthouse, with crescendos of music and with colored flags fluttering in the wind. More than 200 model workers of various trades working on the municipality's various fronts and representatives of advanced collectives gathered at the annual Spring Festival tea party. Wu Bangguo, Huang Ju, and other municipal party and government leaders wished them a Happy New Year, satisfaction in work, and good health.

Wu Bangguo, secretary of the Shanghai Municipal CPC Committee, made an ebullient speech at the tea party. On behalf of the municipal party committee and the municipal government, he first extended cordial regards to the model workers, advanced individuals, and the masses of workers and staff members throughout the municipality.

After reviewing the achievements made in Shanghai's economic construction and social development over the past year, Wu Bangguo said: Such achievements have resulted from the hard work of 5 million workers and

staff members in Shanghai and also embodied the selfless dedication of model workers and advanced individuals of various trades in the municipality.

Wu Bangguo said: In the New Year, we should continue to uphold the party's basic line, persist in carrying out economic construction as the central task, deepen reforms, and open wider to the outside world, which reflect the aspirations of the broad masses of people. This also requires the support and participation of 5 million workers and staff members in Shanghai. It is hoped that model workers and advanced individuals will play an active leading role.

Wu Bangguo said: In the New Year, we should continue to do a good job in carrying out housing construction and improving the living standards of the people on the basis of economic development. In conclusion, he confidently said: So long as we continue to work hard, we will be able to build Shanghai ever better in 10 years or so. Then, Shanghai will contribute more to the state.

At the tea party, Jiang Rong, chairman of the municipal federation of trade unions, expressed the hope that in the New Year, model workers would further carry forward the fine traditions of the Shanghai working class, develop the advanced ideas and selfless spirit of model workers and advanced individuals, adhere to the socialist orientation, persist in carrying out reforms and opening to the outside world, and work hard in unity to push Shanghai's economy forward. [passage omitted]

Shanghai Product Structure Adjustment Successful

OW0102111092 Beijing XINHUA in English
1033 GMT 1 Feb 92

[Text] Shanghai, February 1 (XINHUA)—The adjustment of product structure in Shanghai resulted in great achievements, with more than 12,000 new products developed last year, local officials told XINHUA.

The figure represents a 10 percent increase over the previous year, and many technologies have great market demands, said the officials.

In developing new products, many enterprises in the city now emphasize market surveys and investigations to promote the development of products which sell well. This contrasts with past practices in which enterprises arranged production merely according to plans, without studying market demands, causing a serious overstocking of products or other forms of waste.

Some enterprises also develop new products with the aim to develop new markets. For instance, last year the No.1 television set manufacturing plant in Shanghai developed a 28-inch large-screen stereo color TV set which has 32 pre-selected channels, highly automatic systems, and is noise-free. The new color TV sets were hot sellers as soon as they hit the market, the officials added.

The model-486 micro computers developed by the Yangtze computer corporation group is said to have reached the world standard in its performance and reliability in the 1990s. About 2,000 sets have been sold to the United States.

Other products like air conditioners, micro-wave ovens, energy saving lamps and fully automatic washing machines all sell quickly on the market.

Shanghai Reports Record Foreign Investment in Jan

OW0402142392 Beijing XINHUA in English
1336 GMT 4 Feb 92

[Text] Shanghai, February 4 (XINHUA)—China's industrial center of Shanghai attracted a record-setting 114.75 million U.S. dollars of foreign investment in January, city officials said.

Statistics from the Municipal Foreign Economic Relations and Trade Commission show that the investment is 10-fold the amount the city received in January last year.

Forty foreign investment contracts were approved in January, including 33 Sino-foreign co-investment projects, three contractual joint ventures and four ventures with exclusive foreign investment, commission officials said.

Investors in January came from Switzerland, the United States, Japan, France, Sweden, Argentina, Canada, Hong Kong and Taiwan. Thirty-seven foreign-invested projects are in industries, which claim 89.97 million U.S. dollars. The remaining three projects are respectively in real estate, public utilities and construction, commission officials said.

By the end of January, this largest industrial city of China had received direct foreign investment totaling 3.44 billion U.S. dollars in 1,317 projects. The largest three investing sources are Hong Kong, the United States and Japan, commission officials said.

Sales of Industrial Products Increase in 1991

OW0302174392 Shanghai JIEFANG RIBAO in Chinese
30 Jan 92 p 5

["By Rong Licheng (2051 7642 1004) and Shi Zhixing (2457 1807 5281)]

[Text] According to statistics of the municipal statistics bureau, sales of Shanghai's industrial products continually and steadily increased in 1991 and domestic and foreign markets were further expanded. In 1991, sale revenues for local industrial enterprises within the state budget were 81.722 billion yuan, an increase of 9.9 percent over 1990. Out of that total, sales to outside the municipality totalled 39.199 billion yuan, an increase of 25.5 percent, and foreign exports totalled 15.242 billion yuan, up 12.1 percent. Relevant persons pointed out: In

light of its economic development in 1991, the municipal industrial sector has progressed on a sound developmental track. Following the gradual implementation of measures to improve large- and medium-sized state enterprises, state enterprises will show their vitality once again and their economic results will be increased. However, relevant departments should pay attention to difficulties and contradictions that may arise in the course of the industries' economic development, such as excessive costs of comparable products, further reductions in the enterprises' retained profits, and lack of improvement in settling debts.

Industrial production has developed comprehensively. In 1991, the total industrial output was 196.794 billion yuan, up 13.7 percent over 1990. Out of that total, the state-owned industries' output value was 127.833 billion yuan, increasing 7.1 percent over 1990; the collective-owned industries' output value was 34.271 billion yuan, rising by 15.7 percent over 1990; and the output value of the three types of wholly or partly foreign-owned enterprises was 15.529 billion yuan, up by 63.8 percent over 1990. The output value of the three types of wholly or partly foreign-owned enterprises was 7.9 percent of the total municipal industrial output value, increasing 3 percent over 1990. The large- and medium-sized enterprises have strengthened their backbone position in the industrial sector. The industrial output of the 1,027 municipal large- and medium-sized enterprises was 118.398 billion yuan, up 11.8 percent over 1990, and accounted for 60.2 percent of the total municipal industrial output value; the net additional industrial output was 12.496 billion yuan, or 52.7 percent of the net increase in the total municipal industrial output. Rural industries in the suburbs, counties, and villages have developed relatively quickly, producing an industrial output of 38.606 billion yuan, accounting for nearly 20 percent of the total municipal industrial output.

The rate of industrial productivity improved and energy consumption dropped. The productivity rate of all personnel in the municipal state-owned enterprises under the independent accounting system was 58,555 yuan, increasing 8.9 percent over 1990. Out of this total, the productivity rate of light industries was 56,712 yuan, up 4.4 percent over 1990, and the productivity rate of heavy industries was 60,262 yuan, increasing 13.1 percent over 1990. According to statistics from 24 major municipal industrial bureaus (whose energy consumption accounted for more than 80 percent of the total municipal industrial energy consumption), from January to November 1991, comprehensive energy consumption for every 10,000 yuan of industrial output value produced was 1.63 tonnes of standard coal, decreasing 1.2 percent over the same period of 1990. Twenty out of the 24 industrial bureaus have steadily reduced their energy consumption for every 10,000 yuan of industrial output value produced, accounting for 83.3 percent of the municipal industrial bureaus.

The slide in economic benefits has been halted and the number of enterprises incurring losses has been reduced

considerably. In 1991, the total profits and taxes collected totalled 9.036 billion yuan, a net increase of 130 million yuan, or 1.5 percent, over 1990. Out of this total, profits were 4.277 billion yuan, dropping 0.8 percent over 1990 and basically controlling the massive slides in the past consecutive years. In 1991, losses for the municipality's local industrial enterprises within the state budget were 363 million yuan, decreasing by 159 million yuan, or 30.4 percent, over 1990. The number of enterprises incurring losses has been reduced to 112 units at the end of 1991 from 257 units in February 1991, down by 66 units, or reduced 5 percent in value of losses over 1990.

Shanghai Takes Steps To Further Economic Growth

Reform of Auto Industry

OW0202033392 Beijing XINHUA in English
0309 GMT 2 Feb 92

[Text] Beijing, February 2 (XINHUA)—Shanghai will enhance reform in its automotive industry as part of the effort to develop automobile manufacturing as one of its pillar industries by 1995.

An accounting center within the industry will also be established. The center will function as something of a bank in the industry.

This act will not only enlarge the economic power of the automobile industry, but also accelerate the speed of capital circulation.

According to the development plan of the Shanghai Automotive Industry Corporation (SAIC), by the end of 1995, the city will achieve a production capacity of 150,000 cars annually, compared with last year's production of 35,000 Santana cars, a product of the German funded Shanghai Volkswagen.

In 1991, the city's automobile industry fulfilled 6.85 billion yuan (1.27 billion U.S. dollars) of output value, marking a 60 percent increase over the previous year.

The profit and tax of the industry reached 1.38 billion yuan, (260 million U.S. dollars) last year, up 125 percent over the previous year.

These achievements have already made the industry the largest contributor of the government's tax income in the city as well as in the national automobile industry, according to SAIC sources.

The industry's output value for the year has been set at 9 billion yuan (1.6 billion U.S. dollars), a 32 percent increase over last year, according to Lu Ji'an, general manager of SAIC.

The sales income for the corporation, meanwhile, is expected to hit 17 billion yuan (3.2 billion U.S. dollars), representing a 100 percent increase over 1991.

This target means that the city should turn out 60,000 Santana cars, 200,000 motorcycles, 12,000 tractors and 600 heavy-duty trucks in 1992.

Scientific, Technological Focus

OW0302120192 Shanghai JIEFANG RIBAO in Chinese
30 Jan 92 p 1

[By reporter Li Wenqi (2621 2429 4388): "Specific Ideas for Shanghai's Scientific and Technological Programs"]

[Text] At the Shanghai office of the Hong Kong-based Huarun (Group) Limited Company yesterday, Vice Mayor Liu Zhenyuan held discussions with leaders from the Shanghai Municipal Party Committee, the Shanghai Municipal Science and Technology Commission, the Shanghai Association for Science and Technology, the Shanghai Academy of Sciences, and the Shanghai chapter of the Chinese Academy of Sciences to develop the master plan for this year's scientific and technological programs.

On-site interviews by this reporter reveal that Shanghai will carry out this year's scientific and technological programs in accordance with the idea of publicizing the concept of "primary productive forces," of promoting "mutual sustenance" between two endeavors, of stressing efforts in five key aspects, of executing eight programs, and of deepening scientific and technological reforms.

Publicizing the concept of "primary productive forces" serves to implement the notion that "science and technology is the primary productive force," to enhance scientific and technological awareness throughout the party and society, and to develop a gradual reliance on scientific and technological progress as well as qualitative labor improvement in economic construction. Specifically, Shanghai Municipality needs to hold a scientific and technological conference to devise and implement measures for making science and technology the primary productive force, and to fuel scientific and technological advancement in all fields of activity.

In fostering a mutually sustaining relationship between economic construction and science and technology, it is essential to stress efforts in five aspects this year: 1) Going all out to rebuild traditional industries with new and high technology, encouraging enterprises to progress technologically, and improving the technological vigor of enterprises; 2) implementing the strategy of spurring agricultural development through science education, creating 100 scientific and technological grain demonstration outlets with per-mu yields of one tonne, establishing 100 scientific and technological demonstration villages with high per-mu yields of over 750 kg, setting up 100 centers for assessing the technological prowess of village and town enterprises, and increasing the rate of scientific and technological progress in Shanghai's agricultural production from the current 36 percent to over 40 percent; 3) implementing plans for stimulating commercial activity through scientific and technological strides

and fueling the development of commercially-led tertiary industry through scientific and technological progress; 4) developing and industrializing high technology; and 5) consolidating and developing scientific and technological exchanges and cooperation with foreign countries. In this connection, scientific and technological exhibitions and trade talks will be held in Singapore and Czechoslovakia.

Additionally, this year we will execute eight programs to tackle key scientific and technological projects, promote research findings, construct laboratories, and build medium pilot development bases.

Ge Hongsheng Addresses Party Committee on Opening

OW0202043392 Hangzhou ZHEJIANG RIBAO
in Chinese 25 Jan 92 pp 1, 4

["Ge Hongsheng Stresses Need To Enhance Awareness of the Open Policy, Accelerate Opening Doors to the Outside World, and Vigorously Promote Development of the Export-Oriented Economy"—ZHEJIANG RIBAO headline]

[Text] From 21 to 24 January, the provincial party committee and the provincial government held a provincial working conference on using foreign funds.

While reviewing and analyzing the situation of our province's work in carrying out the open policy, summing up and exchanging the experiences of all areas and units, and commending foreign-invested enterprises "that have scored outstanding achievements in two aspects" as well as the advanced counties (cities) (please see page 4 of today's ZHEJIANG RIBAO for their namelist), the meeting further sought unity of thinking, discussed the policies, laws, and regulations concerning using foreign funds, paid attention to improving the soft environment for investment by foreign businessmen, and drew up plans for work to promote developing the export-oriented economy to be done this year and during a certain period of time to come.

Governor Ge Hongsheng delivered a report entitled "Enhance Awareness of the Open Policy, Accelerate Opening Our Doors to the Outside World, and Vigorously Promote Developing the Export-Oriented Economy."

First of all, Ge Hongsheng briefly reviewed the work of carrying out the open policy in our province. He said: Following the basic line of "making economic construction our central task, adhering to the four cardinal principles, and persisting in carrying out reform and the open policy" advocated by Comrade Deng Xiaoping, we have done a large amount of work in invigorating enterprises at home and, meanwhile, gradually opening our doors wider to the outside world and vigorously promoting development of the export-oriented economy, including foreign trade, using foreign funds, and economic and technical cooperation with foreign countries since the Third Plenary Session of the 11th

CPC Central Committee. After more than a decade of effort, a setup for different levels of departments and institutions to carry out the open policy at areas encompassing economic and technical development zones—coastal cities open to the outside world—coastal economic development zones—and the vast expanse of hinterland in the southwestern and northwestern parts of Zhejiang has taken its initial shape throughout the province. As our foreign trade has enjoyed comparatively rapid development, Zhejiang has become an important province with ports for trade with foreign countries. We have made new progress in carrying out the work of utilizing foreign funds; in developing joint ventures, cooperative enterprises, and enterprises solely owned by foreign businessmen begins to take shape; and in continuing to expand economic and technical cooperation with foreign countries. The international tourism industry has enjoyed very rapid development, and we have markedly improved construction of the parts of the infrastructure to suit economic development and implementing the open policy.

Ge Hongsheng stressed: The fundamental key to successfully promoting development of the export-oriented economy in our province lies in encouraging the leadership at all levels as well as the rank and file in all fields of endeavor to further emancipate their minds and enhance awareness of the need to open our doors to the outside world. First of all, the provincial party committee, the provincial government, and the organizations at the provincial level must take the lead in this endeavor. It is necessary for the provincial leading groups together with all departments and units to seek unity of thinking, reach a common understanding, and fully understand the important significance of the work to carry out the open policy by truly approaching the issue from the high plane of strategy.

First, carrying out the open policy and promoting development of the export-oriented economy is a necessity for our endeavor to build socialism with Chinese characteristics. Persisting in carrying out the open policy does not conflict with adherence to the four cardinal principles. Whether or not we can effectively promote implementing reform and the open policy has a bearing not only on whether or not we can succeed in further promoting economic development as well as national regeneration but also on whether or not we can consolidate the successful achievements we have scored so far and make the socialist cause always remain invincible. Carrying out the open policy does not conflict with our efforts to consolidate and develop the public-owned economy. Some comrades are worried that promoting development of the enterprises with investment by foreign businessmen will have an impact on the socialist public-owned economy. In fact, this kind of concern and worry can be dismissed. At present, the number of joint ventures, cooperative enterprises, and enterprises solely owned by foreign businessmen is small rather than large. Even if their number increases in the future, state-run and collective enterprises still occupy an overwhelmingly

superior position and still are a helpful supplement to the public-owned economy. Carrying out the open policy does not conflict with self-reliance, either. Of course, it is necessary for us to be based on self-reliance; however, China is a developing country and its overall level of economic development is still relatively low. Shortages of funds and backward technology will hamper our modernization drive for a relatively long period of time to come. Only by carrying out the open policy and vigorously utilizing foreign funds and technologies can we turn our favorable conditions to good account, make up for our deficiencies, and strengthen our abilities to base ourselves on self-reliance. It is precisely for the purposes of expediting domestic enterprises' technical transformations and developing new products, bringing about readjustment of production structure, the structure of trades and professions, and organizational structure of enterprises, and promoting development of national industry as well as the whole economy through introduction of funds, technologies, and scientific management experiences that we make efforts to develop the enterprises with investment by foreign businessmen.

Second, carrying out the policy of opening up and promoting development of the export-oriented economy has always been a requirement raised by the central government for coastal areas and a road that Zhejiang must take to promote economic development. Located in the coastal areas of Southeast China and endowed with an excellent geological environment, our Zhejiang features convenient and speedy communications with the outside world, a good number of harbors along the coast, abundant tourism resources, an adequate labor force of comparatively high quality, a relatively large number of overseas Chinese and compatriots in Hong Kong, Macao, and Taiwan with their native place in Zhejiang, a comparatively good existing economic and technical foundation, and many favorable conditions for promoting development of the export-oriented economy. It is necessary for us to give full play to the uniquely favorable conditions in these areas and open our doors wider to the outside world while striving to explore domestic markets and vigorously taking advantage of the resources at home. It is for the purpose of making money that foreign businessmen come to China and commit their investments. However, this kind of money-making is established on the basis of mutual benefit. When foreign businessmen make money, we achieve development and increase job opportunities and financial revenues. Our province has, first of all, implemented the policy of reform and opening for more than a decade, thereby bolstering construction of those parts of the infrastructure which have been somewhat improved and raising economic and technical levels. In our endeavor to raise economic construction to a new level in the next decade, we must try to achieve the objective of promoting economic development, which serves the interests of the whole and must be more farsighted and bolder while further emancipating our minds in carrying out the policy of opening up and utilizing foreign funds. Once a task is decided upon, we

must be determined to see to its fulfillment without fearing risk or the suffering of some small losses.

Third, as the situation of carrying out the policy of opening up and promoting development of the export-oriented economy is gratifying and pressing, we must have a sense of urgency of the times as well as a sense of historical responsibility. Currently, our fraternal provinces and municipalities are actively drawing up programs and plans to accelerate implementation of the policy of opening up. By establishing clear-cut objectives, taking effective measures, and trying to overtake each other in friendly emulation, these provinces and municipalities have gained very vigorous momentum. We must admit the gap between them and Zhejiang, face reality, and, in turn, rouse ourselves to catch up. It is necessary for us to conduct reeducation in launching further mobilization and opening our doors wider to the outside world among cadres, the masses, and, in particular, the leadership at all levels in a bid to narrow this gap. Meanwhile, we must also be aware of our favorable conditions, enhance our vigor and enthusiasm for the work, and boost our confidence in continuing to forge ahead. It is necessary for us to give full play to the favorable conditions found in our harbors, tourism industry, construction and building material industry, and processing industry; open our doors wider to the outside world while we endeavor to do a good job of providing services to coordinate the implementation of the New Pudong Area's development project; and promote our own development in Zhejiang. We must take advantage of the opportunity to work successfully in all fields of endeavor, strengthen our abilities to attract foreign businessmen, and try hard to catch up with our fraternal provinces and municipalities.

While touching on the guiding ideology for utilizing foreign funds, Ge Hongsheng pointed out: First, in utilizing foreign funds, we should go in for a greater scale, higher level, and better economic efficiency. In the 1990's, the national economy in our province should aim at improving economic results instead of merely expanding development; the work of utilizing foreign funds should be centered on the implementation of the 10-Year Program and the Eighth Five-Year Plan; and efforts should be made to follow the economic development strategies of laying a good foundation, reaching a desirable level, and improving economic efficiency. Toward this end, it is necessary to establish an effective industrial guiding mechanism, with a higher starting point in the use of foreign funds, and an emphasis on improving quality and grade, while maintaining a steady growth in quantity.

Second, foreign funds should be utilized through various channels, in various forms and cover various fields. The development of an export-oriented economy should be all-embracing, with equal attention to foreign trade, foreign capital, and foreign economy. It is necessary not only to attract foreign businessmen to make direct investments, but also to make all efforts to seek loans from foreign governments and international financial

organizations, as well as to develop the processing industry and assembly lines with imported materials through various channels. The fields for utilizing foreign funds should be extended from industrial projects to cover other aspects, including agriculture, offshore fishery, foreign investment in real estate, and development of vast tracts of land.

Third, in utilizing foreign funds, we should pay attention to coastal areas while bringing along the inland areas, stressing the major areas while not overlooking the general ones. As for the area layout, we should attach importance to the open coastal cities and special economic zones as the focal points, while helping out the inland areas along the way. We must pay close attention to developing Ningbo, and particularly the Beilungang Industrial Zone. At the same time, we must also pay proper attention to the opening to the outside world in respect to Hangzhou, Wenzhou, and other coastal cities and counties, and thereby help the whole province develop. Moreover, it is necessary to strengthen our support for the inland areas, and as far as possible, help them create favorable conditions, thus enabling them to gradually open to the outside world. In terms of lines of operation and projects, these should be guided to conform to state industrial policies; and attention should be paid to large, medium-sized, as well as small undertakings at the same time, while stressing infrastructural facilities, and raw and semifinished materials industries which have a significant bearing on the national economy of our province. Furthermore, we must pay close attention to the technical innovation projects, aimed at a larger scale, a higher level, and better economic efficiency. As for the target of our work, we should adhere to the principle of extending welcome to everybody else besides the Overseas Chinese in Hong Kong, Macao, and Taiwan, with emphasis on attracting more and more large, and renowned international corporations.

Fourth, it is necessary to be both positive and steady in our approach while utilizing foreign funds. We must ensure that every foreign-invested enterprise established will be a success, and we should strive to really achieve the desired goal in standards, quality, and economic efficiency.

In light of the above-mentioned considerations, Ge Hongsheng said clearly: Our province should stress the following aspects in using foreign capital. First, we should quicken the construction of development zones, including those for attracting investment. We should elevate the construction level, aiming to launch projects that carry out production, attract foreign investment, and help form export-oriented and technologically advanced enterprises. We should strive to improve the standard of such zones and expand their central role. Second, we should successfully run the three types of joint ventures currently in existence. On the one hand, we should respect their operational and managerial autonomy, protect their legitimate rights and interests in accordance with the law, and enable them to operate in

line with international practice. On the other, we should improve management according to law, adopt effective measures, and solve existing problems. A current primary task is to conduct piecemeal examinations of poorly run enterprises, and to help them solve problems and gradually normalize their operations. Third, we should "graft" a number of large and medium-scale enterprises onto foreign-funded companies. This year, provincial, city, and prefectural authorities, and the authorities of some industrially quite developed counties should select a group of key enterprises for transformation by "grafting" onto as many foreign-funded enterprises as possible, under a program for technically transforming enterprises. They may seek joint funding for the entire factory or just some workshops. We should further promote leasing business as an effective way to conduct technical innovations in enterprises. Fourth, we should make ample use of foreign capital to build transportation, energy, communications, water conservancy, and other infrastructural projects and to develop a group of industries producing basic raw and semifinished materials that are useful in exploiting local superiorities. Fifth, we should keenly and steadily develop a foreign-oriented real estate industry. Given its geological advantage, favorable conditions for construction, and abundant building materials, Zhejiang has huge potential for developing a foreign-oriented real estate industry. It should establish such an industry as an important means of expanding the use of foreign funds. Sixth, we should achieve new breakthroughs in using funds from Taiwan. We should accord cordial treatment to our Taiwan compatriots, systematically provide them with information on Zhejiang's investment climate through various channels, and encourage Taiwan enterprises, especially some influential companies with listed stocks, to invest in our province.

Ge Hongsheng maintained: Intangible aspects of the environment, rather than the environment itself and the existence of preferential policies, are currently key factors influencing the drive to quicken the pace of opening up to the outside world. We essentially mean to further intensify our economic and management reforms when we refer to our efforts to improve the so-called intangible environment. For a certain period in the future, we should realistically deal with the following matters. First, we should gradually straighten out our external management system. To satisfy the needs for exercising both centralized leadership and multilevel management, we should gradually institute a working system that is authoritative, unified, and efficient. The provincial party committee and government have decided to reconstitute leading groups in charge of economic relations with foreign countries and opening up to the outside world, to create an office with similar functions under the provincial government, and to rename the provincial foreign economic relations and trade department as the provincial committee for external economic relations and trade as a way of promoting the coordinated development of foreign trade, foreign capital acquisition, and foreign economic relations. All cities, prefectures, and

counties should seriously study ways to straighten out their foreign capital management systems, acting in accordance with their prescribed functions and duties. Second, we should streamline the procedure of examining and approving foreign investment projects in order to improve our work efficiency. Drawing on the experiences of other provinces, relevant provincial departments will work out specific provisions on the authority and process of examining and approving foreign investment projects, as a way of standardizing and making less haphazard the procedure for examination and approval. Various localities may continue to implement effective simplification measures, such as holding joint meetings and conducting related businesses together instead of handling matters separately. Third, we should improve consultation services and the system for providing such services. The province plans to establish foreign investment service centers. Hangzhou, Ningbo, Wenzhou, and cities and counties with substantial foreign investments may create similar centers. If possible, local authorities may "integrate" the operations of external economic departments in order to provide "combined" services to foreign investors. Fourth, we should further improve our policies, laws, and regulations on external relations. Recently, the provincial authorities organized relevant departments to formulate 12 documents listing pertinent policies, laws, and regulations. The documents will be promulgated as administrative rules or issued in document form. After being implemented on a trial basis for some time, some of those documents will be submitted to the provincial people's congress Standing Committee for deliberation and will be reworked into local economic statutes. We should intensify propaganda and education on the legal system. Government employees at all levels, especially leading cadres, should take the lead in studying, observing, and applying laws. Along with the current effort to simplify work, the provincial commodity price bureau should take the initiative in conducting a comprehensive review of various fees levied on foreign-funded enterprises.

Ge Hongsheng called for efforts to maintain steady foreign trade growth this year. He said: The present foreign trade situation is quite grave. We must not be affected by self-complacency and lower our guard because our foreign trade grew fairly quickly in the past few years, especially last year. We must carefully assess the difficulties we have encountered and those which we may encounter in the future. We must maintain high vigilance against these difficulties at all times. In our foreign trade this year, we should shift the emphasis to the multipolarization of markets and developing the strategy of "winning the victory by improving quality," further deepen reform of the foreign trade structure, improve the internal structure of foreign trade enterprises, and raise their economic efficiency. First, we should put into effect the strategy of market multipolarization and strive to open new world markets. Second, while focusing on economic efficiency, we should make sure that the strategy of "winning the victory by improving quality" is really implemented. With respect

to products whose quality is below the prescribed standard, producing enterprises should not let them leave their warehouses; foreign trade departments should not purchase them; and goods inspection departments should reject them. While linking the improvement of the management contract system to improving the quality and variety of export products, to implementing contracts, and to collecting foreign exchange, we should strive to increase variety, raise quality, improve packing, carry out contracts, and keep our credit. Third, we should continue to deepen the structural reform of foreign trade and improve the operation and management of enterprises. On the basis of investigations and studies we should gradually streamline economic and trading structures of cities, prefectures, and counties. The policies and measures to encourage exports to earn foreign exchange which have been implemented in the last few years, such as those on the financial contract system for cities, prefectures, and counties; on the system of linking work to performance for foreign trade enterprises; and on the export award fund for mayors and county heads, should continue to be implemented and further improved. Foreign trade departments should integrate expanding exports with using foreign funds and make new contributions to developing joint ventures and cooperative enterprises by exploiting the advantage that channels are many, customers are numerous, and markets are predictable. Foreign trade departments should look to internal improvement and strive to raise the overall quality and economic efficiency of enterprises by strengthening their internal management, improving their economic accounting system, and reducing costs. Foreign trade departments should actively explore ways to promote integrating imports and exports, of internal and foreign trade, and of technology, industry, and trade so as to improve the operation of enterprises and enhance the capacity of markets to adapt to changes. International tourism and international economic and technological cooperation are also an important part of an export-oriented economy. Therefore, we must attach great importance to them, vigorously support them, and speed up their development so as to increase our nontrade foreign exchange earnings.

Ge Hongsheng also stressed that it is necessary to truly improve leadership over the work of opening to the outside world. He said: Leaders at all levels must regard opening to the outside world as an important policy and put it on their agenda, truly strengthen ideological and organizational guidance, constantly analyze the emerging new situations and new problems in opening to the outside world, and devise new measures for solving these new problems. With respect to major matters concerning the development of an export-oriented economy, leading comrades should attend to them personally. In some cases they should personally participate in them, make timely policy decisions to deal with them, and show sufficient concern and support for them. It is necessary to strengthen supervision over units and departments at all levels by making achievements in

developing an export-oriented economy an important criterion for assessing administrative performance. Under the leadership of party committees, leaders at all levels must be good at relying on the strength of various quarters to guide the enthusiasm and attention of cadres and the masses onto the track of developing an export-oriented economy. Regions and departments should pool their strength by closely cooperating with each other and supporting each other. Efforts should be made to expand our external propaganda, through various methods and channels, so as to make the world understand Zhejiang. It is necessary to strengthen positive propaganda and reports, publicize achievements in reform and opening from the past decade, introduce the investment environment in our province and relevant policies on investment, publicize new personalities and new things that have emerged in the course of reform and opening to the outside world, and strive to create a good media environment for developing an export-oriented economy. In accordance with the new situations and new characteristics that emerged in opening to the outside world and using foreign funds, it is necessary to strengthen political and professional training for personnel of the Chinese side and educate and train qualified personnel at different levels and strata to bring up a large number of managerial and practical personnel who know policies and professional work.

In conclusion, Ge Hongsheng pointed out: Our reform and opening to the outside world proceeds under the precondition of upholding the four cardinal principles. While speeding up the pace of opening to the outside world and actively absorbing foreign funds, technology, managerial experiences, including advanced sciences and cultures, leaders at all levels must uphold socialist orientation and maintain high vigilance against and resolutely combat the onslaught of decadent capitalist ideology and the attempts of foreign hostile forces to effect a peaceful evolution in China. Opening to the outside world will certainly bring about some negative influences, but we cannot give it up for fear of a slight risk. On the other hand, we must not remain indifferent to this matter. We must strengthen ideological education among cadres and the masses, especially among youngsters and middle-aged people, in order to make them firmly believe in socialism. We must resolutely guard against and firmly attack such criminal activities as selling smuggled goods and creating and selling pornography. We must rely on and organize the masses to struggle against these criminal activities in a guided and planned way. We should do our work on religion well in accordance with the central authorities' policy on religion. It is necessary to strengthen building a clean government, eliminate unhealthy tendencies, and create a good image for government departments and their personnel. It is necessary to implement policies and work hard to do our tasks with good results to further improve our work of opening to the outside world.

Responsible persons of the provincial party committee, provincial advisory commission, provincial people's

congress, provincial government, and provincial committee of the Chinese People's Political Consultative Conference attended the meeting.

Speaks on Economic Construction

*OW0402125092 Hangzhou ZHEJIANG RIBAO
in Chinese 28 Jan 92 p 1*

["At a Plenary Session of the Provincial Government, Ge Hongsheng Stresses the Importance of Unifying Thinking in Implementing Plans and of Concentrating on Economic Construction"—ZHEJIANG RIBAO headline]

[Text] The provincial government held its first plenary session yesterday for the main purpose of studying the government work this year. Governor Ge Hongsheng delved mainly on the issue of unifying thinking and implementing plans.

Ge Hongsheng said: In 1991, the first year of implementing the Eighth Five-Year Plan, under the leadership of the party Central Committee and the State Council and by relying on the people of the whole province, we overcame serious natural disasters, surmounted many difficulties in our economic development, and scored marked achievements in various fields of work. The situation turned out to be better than expected and is continuing to improve. The province enjoyed economic, political, and social stability. The political situation was fine; harmony prevailed among the people; and undertakings in various fields flourished.

Looking into 1992, although we still face problems and difficulties in our advance, the situation, viewed as a whole, is favorable to us. We should seize this opportunity to advance our work in all fields. In accordance with the directives of the party Central Committee and the State Council and the guidelines of the Sixth Enlarged Plenary Session of the Eighth Zhejiang Provincial CPC Committee, the general tasks for the government this year are to unswervingly implement the party's basic line; further carry out our province's strategy for economic development; improve spirit; work arduously; strive for a sustained, steady, and coordinated development of the economy; vigorously safeguard political stability and unity; and strive to improve the government organizationally. The three important tasks—economic development, maintaining social stability, and improving the government organizationally—are not parallel. Economic development remains the central task. To carry out the three tasks well and to do government work well, we must firmly grasp the two links—unifying thinking and implementing plans.

Ge Hongsheng pointed out: In unifying thinking, the most important thing to do is to guide cadres and the masses to arrive at a unified understanding of the directives, requirements, and work arrangements of the central authorities and the provincial party committee and to concentrate on economic construction. Under the

present circumstances, common understanding should be reached on the following main points.

1. It is necessary to shift the emphasis of work on reliance on scientific and technological advancement, adjustment of the economic structure, and upgrading of economic results. This is the development strategy of our province for laying an economic foundation, upgrading the economic level, and raising economic results; an important step for raising the quality of the national economy; and a critical link for improving economic work as a whole. This must be firmly grasped this year in order to ensure that results are achieved. Structural adjustment is all-inclusive. Not only must the structure of industrial products and the industry itself be adjusted, structural adjustment must also be made in the fields of agriculture, science and technology, and education. Not only must adjustment be made with respect to increased quantity, adjustment must also be with respect to existing quantity. This includes limiting the production of products whose output exceeds demand. Some enterprises with excessive processing capacity which produce unmarketable products and which are unable to reverse their financial losses must be shut down, or suspend operation, or be merged with other enterprises, or switch to the manufacture of other products. Some low-quality and overlapping projects must be suspended even if construction has already started. The number of losing enterprises and the amount of financial losses must be reduced by one-third this year. This task must be implemented at various units and relevant personnel should be assigned the responsibility for it. With respect to these problems, comrades of some places and departments have not yet arrived at a unified understanding, and they are not determined to tackle them. It seems that there is no choice but to tackle these problems. Otherwise, we cannot do our work seriously and effectively.

2. Seizing the favorable opportunity, we should expand the scope of our reform and open our province wider to the outside world. Now that the mission to improve the economic environment and rectify the economic order has been basically accomplished, the economic environment becomes more amiable, presenting better conditions for us to deepen reform and open our province wider to the outside world. Deepening reform is the key to our effort to advance structural readjustments, raise economic efficiency, achieve scientific and technological progress, and solve deep-rooted problems in our economy. This year we have to take bigger strides in our reform. We will begin to reform two systems in enterprises, as well as the pricing, housing, and social insurance systems. Pilot projects will be launched to streamline government organizations to achieve better staff and simpler administration. All these reforms inevitably will affect the interests of one group or another and require us to do some mental readjustment. Failure in mental readjustment may jeopardize social stability; therefore, we have to be very careful in this regard. On the issues of using foreign capital and developing the export-oriented economy, we also need to reach a common understanding. In the past few years, we have gone through

twists and turns and have experienced ups and downs in our effort to use foreign capital and develop the export-oriented economy. Progress has been limited, falling far behind other coastal provinces and municipalities in comparison. Why? The problem stems from the fact that we have not emancipated our minds sufficiently and we are not well aware of the importance of opening to the outside world. To advance our effort to develop the export-oriented economy, we need to work on the mind. Everyone, from the top level down to the grass roots, must further emancipate their minds, set their sights farther, and be bolder. Of course, we must play safe, be resourceful and resolute, and never take any hasty action, whether pursuing reform or trying to open our province to the outside world.

3. We should strengthen and improve macroregulation and ensure a balance between the total social demand and supply. We want to maintain a certain economic growth rate while preventing our economy from overheating again. Last year, our province's industrial growth was normal on the whole; however, there were some problems that warrant our attention. Putting undue emphasis on output value and production growth, some localities and comrades still focus on repeating construction of low-level projects, which not only results in huge waste but also adds new difficulties to our province's economic work as a whole. We must pay great attention to this problem. The completion of the mission to improve the economic environment and rectify the economic order does not permit us to start projects at will. To prevent the economy from another round of overheating, we must strictly control the scope of capital construction, reform the evaluation method for economic performance, keep expenditures within the limits of income, and proceed with urban construction in line with our capabilities.

Ge Hongsheng said: Whether or not a common understanding has been reached can only be determined by the actions taken in the end. It is necessary for us to make our endeavor to understand and solve problems in keeping with the implementation of various tasks this year, do a solid job step by step, and pay close attention to seeing to it that tasks are assigned to their proper areas and departments and that various policies and measures are actually carried out by all areas and departments concerned. This, in fact, is also an important part of our efforts to improve the government itself. Though, generally speaking, our government organizations have improved their work style since last year, there are quite a number of problems. Some organizations practice formalism, like to put on fancy airs, and are flashy in carrying out their work without producing any substantial results. Some others remain in their offices all year round and seldom go down to the forefront to conduct survey and solve problems, while some others just sit there talking about the hows and whys and indulging in exaggerations. The number of meetings, documents, and such activities as social calls, receptions, welcoming and farewell banquets is, indeed, too many. They prevent

leading cadres from concentrating their efforts and, furthermore, affect our work at the grass-roots units. If this kind of situation remains unchanged, all ideas and policies, however good they are, will be just empty, idle talk. If things go on like this, the image and prestige of our government will be directly damaged. At present, leading comrades of the central authorities are taking the lead to set an example by earnestly practicing what they advocate. One after another, they go down to rural areas, factories, mines, residential districts, and schools to appreciate the situation, inspect and supervise, and study ways to solve new contradictions and new problems. It is necessary for us to take further actions, change the style of our thinking and work in a down-to-earth manner, frequently go deep into the realities of life, maintain close contacts with the masses, handle more tasks that really benefit the people without laying emphasis on appearance and formalism, and pay close attention to producing practical results in accordance with the requirements raised by the central authorities and the provincial party committee.

In executing tasks, it is necessary to stress key areas and to concentrate on major endeavors. For the province, the focus of this year's economic work will be to further strengthen agriculture and rural work, to concentrate on improving large and medium-scale enterprises, to stimulate commodity circulation, to stabilize commodity prices, to increase revenues and cut expenditures by all means, and to improve financial and banking services. In accordance with the plans of the provincial party committee and the provincial government, various departments and units should take their practical circumstances into account and deal with their key assignments. In particular, leaders at all levels must make personal and relentless efforts to concentrate on settling certain notable contradictions in the economic sphere and on dealing with units plagued by excessive problems.

In executing tasks, it is essential to stress investigations and studies, to increase specific guidance, to integrate guidelines provided by higher authorities with the circumstances of local areas and departments, and to carry out tasks creatively. In light of their principal and difficult assignments, various provincial government departments should put key leading comrades in charge of rallying people from all sectors to conduct comprehensive and systematic investigations at the grass-roots level. Based on the findings of such investigations, these departments should devise different measures to deal with different circumstances and different target problems, and should realistically help grass-roots units solve problems.

In executing tasks, it is necessary to develop an overall concept and to strengthen interdepartmental coordination. Every department should possess an overall and general concept, develop a sense of coordination, and encourage frequent contacts and dialogues with other departments. Departments should not forward to higher authorities problems that can be solved by consultation

among themselves. They should never squabble incessantly over their own interests in such a way as to affect the smooth implementation of government decrees.

It is essential to earnestly intensify efforts to supervise and inspect the way our tasks are executed. This year, we should continue to pay attention to conducting stepped-up supervisory activities and inspections on a regular basis. Leading comrades should adopt a hands-on approach and establish relevant systems. In addition, the provincial committee and the provincial government should organize special manpower for this purpose. Under a system of multilevel and thorough management, the provincial government is responsible for supervising and inspecting various provincial departments, prefectures, and cities, which in turn are responsible for supervising and inspecting their respective subordinate units. It is necessary to develop plans for the supervision and inspection of certain major endeavors that have been decided upon. This will help determine the conditions of such endeavors, measures and methods for implementing them, progress in executing them, and work quality.

In executing tasks, it is necessary to proceed in accordance with the objective-based management and personal responsibility systems, to institute a corresponding evaluation system, and to develop clear-cut guidance on awards and punishments. When setting the goals of this year's tasks, various departments and units should execute their main tasks at all levels and make the execution of such tasks an important criterion for evaluating job performances. The provincial government has decided to conduct a year-end, comprehensive evaluation of the performance of various provincial departments in this connection. Departments that have performed brilliantly and achieved remarkable success will be commended. Conversely, those that have failed to work hard or those that have executed their tasks poorly will be sternly criticized and subjected to education. The leading bodies of some of those departments will be reorganized or strengthened.

Successful execution of tasks depends on the way cadres think, on how much of an enterprising spirit and sense of responsibility the people have, and on how the government works to improve itself. Government departments at all levels should strive to improve their work style and efficiency, intensify efforts to build clean government, remedy unhealthy practices, and wage a firm struggle against various corrupt phenomena.

Responsible comrades from the provincial planning and economic commission, the provincial finance department, the provincial branch of the People's Bank of China, the provincial agricultural department, the provincial foreign economic relations and trade commission, the provincial office for restructuring of the economic system, and the provincial urban and rural construction department delivered special speeches on this year's tasks in restructuring, improving efficiency,

finance, taxation, banking, agriculture, foreign economic relations and trade, economic reform, and urban housing reform.

Southwest Region

Liu Zhengwei Awards Outstanding Experts

HK0502034592 Guiyang Guizhou People's Radio Network in Mandarin 2300 GMT 25 Jan 92

[Excerpts] Yesterday [25 January] morning, the provincial CPC Committee and the government held an award meeting to present certificates of honor to young and middle-aged experts who made outstanding contributions in 1991, and to comrades who received government's special subsidies in 1991.

Provincial party and government leaders Liu Zhengwei [provincial party secretary], Wang Chaowen, Su Gang, (Yao Shengping), Long Zhiyi, Zhang Shukui, Liu Hanzhen, (Wang Siqi), (Yan Ronggui), (Zhu Yunsong) and others presented certificates of honor to nine young and middle-aged experts who have made outstanding contributions including (Liu Jiuzhou), senior engineer of the (Kaiyang) Coal Mine, and others, and 59 comrades who received government's special subsidies, including (Li Qiang), professor of Guizhou University, and others.

On behalf of the provincial CPC Committee and government, Comrade Liu Zhengwei extended his warmest congratulations to comrades who have won the honorary titles, and sincerely saluted scientific and technical workers who are working hard on various fronts in the whole province. He added: Comrades who win the honorary titles love the motherland, and have a very strong devotion to their undertakings. They have made outstanding contributions to our country's socialist modernizations at their own posts. [passage omitted]

Liu Zhengwei called on scientific and technical workers of the whole province to learn from them, and integrate their wisdom, capability and ideals with the matter of primary importance of enriching the people to fully arouse their enthusiasm and creativity, follow a down-to-earth manner in their work, be bold in scaling new heights in science and technology, and greet the successful convening of the 14th party congress with their own brilliant achievements.

Guizhou Authorities Arrest Taiwan 'Secret Agents'

HK0502100592 Guiyang Guizhou People's Radio Network in Mandarin 2300 GMT 31 Jan 92

[Text] Guizhou recently cracked two cases involving Taiwan Kuomintang secret agents. The police arrested, according to law, two Taiwan Kuomintang secret agents Zhu Kexing and Ma Guirong, who had hidden themselves in this province, and seized a few pieces of equipment with which they carried out espionage.

Zhu Kexing, male, 37, former purchasing agent of a certain factory, was recruited by a Taiwan espionage agency stationed abroad under the Taiwan Kuomintang Mainland Work Association when he studied in a foreign country at his own expense in 1988. He received training and funds for espionage from the Taiwan government. In 1989, Zhu Kexing was sent back to the mainland to carry out espionage activities. He made vigorous efforts to set up a spy organization, collected important information, and reported it to the Taiwan secret service.

Ma Guirong, male, 43, was formerly a worker of a certain factory. In 1985, he resigned of his own accord and engaged in business in the border area of Yunnan. In 1989, he was recruited by a Burma-based Taiwan secret service under the Taiwan Kuomintang Military Information Bureau and received special training. He was repeatedly sent back to the mainland to gather information and look for people qualified to join him in espionage work. In 1991 he was arrested by our public security organ when he came back to the mainland to carry out espionage activities.

The public security organ pointed out with respect to the cases: Though they were good at disguising themselves and surreptitious in their movements, we acquainted ourselves with their activities and so they were unable to escape the net of justice. [passage indistinct]

North Region

Peasants Extend Greetings to Hebei Party Committee

*OW0302160492 Beijing XINHUA Domestic Service
in Chinese 0950 GMT 3 Feb 92*

[By reporters Meng Xianjun (1322 2009 0193) and Bao Yonghui (0545 3057 6540)]

[Text] Shijiazhuang, 3 February (XINHUA)—At about 0500 today [2100 GMT on 2 February], while Shijiazhuang was still immersed in the thick of the night, a bus carrying some 40 peasants from Jinxian County's Yaojiazhuang village had already stopped at the main gate of the Hebei provincial party committee. This was a group of people who organized this special trip to extend new year greetings to the provincial party committee. They wanted to thank the party committee for sending a good socialist education team to their village to bring about new changes to this village, which is laden with difficult and long-standing problems.

A few days ago, the provincial party committee received news that peasants from Yaojiazhuang wanted to extend new year greetings to the committee, so it sent a special messenger to meet the peasants and persuaded them not to do so. However, nobody knew that although they agreed verbally, their plan to extend new year greetings did not waver a bit.

Yaojiazhuang is close to roads and railroads with convenient communications and fertile land and has very good

conditions for economic development. However, as the village's leading bodies are weak, disorganized, and lazy, problems accumulated in the village. The village's north-south main street, which is over 1,000 meters long and 16 meters wide, is full of bricks, sand, and pebbles, corn stalks, and cotton stalks, making it difficult for even small tractors to enter the village. There are no drains on the sides of the street. As a result, water cannot flow out of the courtyards of households when it rains. The village had changed five secretaries without achieving much, causing much dissatisfaction among the masses.

After the socialist education work team arrived at the village last October, it paid close attention to solving one at a time the "hot-point" problems that concerned the masses. The first job was to clear the streets. The work team was divided into four groups that went to work with the village's 44 party members. They mobilized the party members to take the lead, including leading their relatives in the work. When a bird flies high, a hundred birds will follow and fly out of the woods. Under the leadership of party members and cadres, the streets were cleaned in just one week. Later, the socialist education team worked without letup to solve the problems of chaotic planning for residential areas and the nonsubmissiveness of profits to the authorities.

The villagers could not think of any other way of expressing their thanks except by extending new year greetings.

Meeting this new year greeting team of some 40 people, Li Bingliang, deputy secretary of the provincial party committee, said sincerely: "We are public servants; you are the masters. We should extend new year greetings to you. It is the duty of the socialist education team to do some good work in your village. We feel that what we have done was too late and too little." These few words warmed the peasants' hearts.

Xing Chongzhi, secretary of the provincial party committee, heard the news and rushed to the scene. He said to the peasants sincerely and earnestly: "The work of the socialist education team in the village is restricted by time, a large amount of regular work still needs to be carried out by the village's party branch and everyone else."

Bu He Meets With Mongolian Official in Hohhot

*SK0202074992 Hohhot Inner Mongolia People's
Radio Network in Mandarin 1100 GMT 1 Feb 92*

[Text] On the afternoon of 1 February, Regional Government Chairman Bu He met with and feted Jundui Saara, consul general of the Mongolian General Consulate in Hohhot, and his wife, and all personnel of the general consulate at Hohhot guesthouse.

During the meeting, Chairman Bu He said: I am very pleased to meet the consul general and all your personnel before the arrival of the Spring Festival—the traditional festival of the people of our country. Over the last few

years, our Inner Mongolia Autonomous Region has witnessed a fairly rapid economic development through reform and opening up. Commodities are plentiful on the market, and all conditions, including the clothing, food, and housing conditions and the means of transportation of the people, are improving. We have witnessed further development in foreign trade. The contacts with Mongolia in particular were rapidly developed during the last few years. This year Hohhot will also develop [words indistinct] with Ulaanbaator of Mongolia. It is hoped that our two sides will further strengthen interregional friendly cooperation and strengthen contacts to seek common development.

Chairman Bu He also introduced the traditional customs of our country's Spring Festival to the consul general and all the working personnel.

During the meeting, Consul General Jundui Saara congratulated our region on the success in social and economic development, and was satisfied with the development of friendly relations between both sides. In addition, he also thanked the regional government for supporting the work of the general consulate.

Tan Shaowen Speaks at Propaganda Work Conference

SK0502071992 Tianjin TIANJIN RIBAO in Chinese
5 Jan 92 p 1

[Excerpts] Tianjin Municipality held a propaganda work conference on 4 January. The conference urged that we should emancipate our minds, be inspired with enthusiasm, keep forging ahead, do solid work, and strive to create a new situation in propaganda work.

Present at the conference were Tan Shaowen, secretary of the municipal party committee; Wang Xudong, deputy secretary of the municipal party committee; Liu Fengyan, member of the Standing Committee of the municipal party committee and head of the leading group in charge of the propaganda and ideological work under the municipal party committee; and Xiao Yuan, vice chairman of the municipal committee of the Chinese People's Political Consultative Conference and deputy head of the leading group in charge of the propaganda and ideological work under the municipal party committee. Tan Shaowen and Liu Fengyan respectively made speeches at the conference. [passage omitted]

Xie Guoxiang, director of the propaganda department of the municipal party committee, reviewed the municipality's propaganda and ideological work done in 1991, and explained the 1992 propaganda work priorities. [passage omitted]

In his speech, Tan Shaowen first affirmed the municipality's propaganda and ideological work achievements and explained the 1992 propaganda work priorities and the guidelines of the conference. He pointed out: In line with the general arrangement of the municipal party committee and according to their different actual condition the propaganda departments at various levels should conscientiously study ways for improving the propaganda work of 1992. We should accurately disseminate the basic line of the party and unswervingly serve the central link of the economic construction. We should carry out the propaganda work closely in line with the central task of the party and firmly in line with the practical work. We should strengthen propaganda on the economic construction, the reform and opening-up work, the improvement of state-owned large and medium enterprises, the improvement of agriculture and rural work, and the policy of "rejuvenating Tianjin with science and technology" and conduct the propaganda on displaying political advantages. In carrying out propaganda work, we should focus our efforts on mobilizing the enthusiasm of the people and giving full scope to the people's enthusiasm for reform and construction. We should further firmly attend to our work so as to increase the real results of propaganda and ideological work. Theoretical study, press and publication, radio and television, and cultural and artistic departments should attend to the propaganda and ideological work in line with their practical work and bring their functions into play in the course of building the spiritual civilization.

Tan Shaowen urged: Party committees and governments at various levels should pay attention to propaganda and ideological work. Principal responsible comrades should personally engage in the work. We should strengthen the leadership and guidance over the work of the propaganda departments. The people on all fronts should show concern for and support the propaganda work, positively create conditions, help the propaganda departments solve their practical difficulties and problems, and give necessary material assistance to them. The comrades of the propaganda departments should clearly understand their own tasks, positively and actively support the central work of the party, act as ideological work assistants to the party committees, and work with an attitude of bearing conscientious responsibility and with practical work achievements to gain the support and concern of leaders and various fronts. He urged that in 1992, the vast number of comrades on the propaganda front should further emancipate their minds, be inspired with enthusiasm, unite as one, keep forging ahead, make explorations, and ceaselessly create a new situation in propaganda work.

Taiwan Denounced for Blocking Cross-Strait Ties

OW0402144692 Beijing Central People's Radio
in Mandarin to Taiwan 2200 GMT 3 Feb 92

[Station commentary from the "News and Current Events" program: "Eliminate Three Major Obstacles and Develop Cross-Strait Relations"]

[Text] Efforts by both sides of the Taiwan Strait led to new progress in cross-strait relations in 1991. Last February, the Taiwan authorities formulated a set of guiding principles on national reunification, and in May they declared an end to the period of Communist rebellion. Though insufficient, the moves marked a meaningful step toward the development of cross-strait relations and the realization of peaceful reunification.

The Taiwan authorities have also moved gradually to relax some restrictions on economic, cultural, academic, scientific and technological, and sports exchanges and cooperation across the Taiwan Strait. The two sides are currently holding talks to wage joint operations against maritime crime to ensure normal exchanges between their people. People on both sides of the Taiwan Strait find these developments encouraging. However, three major obstacles still exist in the development of cross-strait relations. Continued development of cross-strait relations requires the elimination of these obstacles at the earliest possible date.

First, it is necessary to dispel political illusions. Like the government of the motherland, the Taiwan authorities used to stress overall national interests and national concepts; embrace the one-China political stance; and adamantly oppose all political stands favoring two China's, one China and one Taiwan, or an independent Taiwan. However, in recent years they modified their original position, turning from the political stance of one China to a position favoring flexible diplomacy, dual recognition, and an expansion of so-called opportunities for survival in the international community. They also urged the government of the motherland to recognize them as an independent political entity, throwing up an obstacle to the development of cross-strait relations.

Naturally the government of the motherland as well as people throughout the country are opposed to any attempts by the Taiwan authorities to push for the creation of two China's and to legalize and prolong the separation of the two sides under the pretext of reunification. It is absolutely impossible for the Taiwan authorities to realize their illusion of extracting concessions

from the mainland-based motherland by using the three types of exchanges as political bargaining chips.

Second, it is necessary to defuse the danger of Taiwan independence. In recent years, the Taiwan independence movement grew increasingly rampant as the Democratic Progressive Party openly incorporated Taiwan independence into its charter, leading some people to call it a Taiwan independence party. The development has become a serious issue that has caused profound concern within the government of the motherland and among people throughout the country. Though verbally opposing it, the Taiwan authorities actually tolerate, accommodate, and condone Taiwan independence. Such an attitude is caused by two factors—misgivings about cracking down on the Taiwan independence movement; and the politically motivated desire to exploit the issue of Taiwan independence in opposing the CPC, in refusing to hold reconciliation talks, in delaying reunification, and in maintaining whatever limited authority is left of the Taiwan authorities. If this problem remains unsolved, cross-strait relations cannot possibly develop normally.

Third, it is necessary to eliminate hostilities. The mainland-based motherland has taken the lead in adopting a host of initiatives to promote detente in cross-strait relations. In contrast, the Taiwan authorities still maintain their hostility toward the mainland. Despite their declaration last May of an end to the period of Communist rebellion, they still refuse to abandon their policy of opposing the CPC, and they maintain they will not change their anti-Communist stance, although they have stopped short of calling for an outright suppression of the so-called Communist rebellion. Some leaders among the Taiwan authorities have repeatedly warned against diluting the animosity toward the mainland in spite of steady improvements in cross-strait relations. How can cross-strait relations develop normally under such circumstances?

The Taiwan authorities have set three conditions for developing cross-strait relations—allowing them to seek survival opportunities in the international community, recognizing them as an independent political entity, and asking the mainland to abandon its so-called ambition of invading Taiwan militarily. These conditions are absolutely unreasonable and untenable. In reality, they constitute obstacles—thrown up by the Taiwan authorities—to the development of cross-strait relations. People on both sides of the Taiwan Strait hope that the Taiwan authorities will change their attitude and formulate a practical policy toward the mainland in the interest of normal development of cross-strait relations and peaceful reunification of the motherland.

President Li Delivers Lunar New Year Message

OW0402205892 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 3 Feb 92

[Speech by President Li Teng-hui on the occasion of the Lunar New Year on 4 February; from the "National News Hookup" program]

[Text] Dear fellow compatriots:

Peace and good luck to you all!

In the past year, the world situation went through a fundamental change, while our country achieved political and economic breakthroughs. As we handled things in a sober, planned, and systematic manner, we were able to live in peace throughout the year. Peace is a blessing. It is hoped that this blessing will continue to be with us in the coming year.

Because of our diligence over the past four decades, we have successfully developed the economy and brought about a prosperous life to all. However, I would like to remind you that today's prosperity is a fruit of yesterday's thrift and hard work. For this reason, in my New Year's Day message, I especially stressed the needs to imbue ourselves with an awareness of building up our country through thrift and diligence and to reinvest the money to ensure that the economic power stays with us.

In more than a month, the Second National Assembly will be opened and the work to amend the Constitution will be formally launched. This is a major task that concerns everyone. I believe that constitutional reform must take time so the results of constitutional amendment can be linked with the past and can lay the foundations for a long-term future. Meanwhile, in the process of constitutional reform, we should coordinate the efforts of all quarters and respect opinions of the majority of people in order to successfully complete the amendment work.

During an around-the-island trip by train toward the end of last year, I vividly realized that Taiwan is an integrated body where there is no difference in the life and environment between the eastern and western parts of the island. Taiwan's relations with the entire Chinese nation cannot be cut off. Taiwan's successes in its struggle will definitely produce a far-reaching influence on the future of the entire Chinese nation. Our future should not be limited to this small island. Therefore, we should fight in unity and work jointly to open up a new era of the Chinese nation.

Finally, I would like to summarize Taiwan's achievements over the past four decades into five major aspects:

First, universal education has provided plenty of managerial personnel for national construction and [words indistinct] for comprehensive progress in social development.

Second, both governmental and nongovernmental circles have valued intellectuals who have been able to give play to their talent in all trades and professions.

Third, the success in land reform has increased agricultural productivity and raised peasants' income, thereby laying the foundations for economic development.

Fourth, the government has formulated a correct strategy: taking agriculture as the foundation to promote the growth of industry and commerce. After industry and commerce are developed, they in turn help agriculture and enable rural residents to lead a prosperous and stable life.

Fifth, equal emphasis has been laid on economic development and democracy. People now live in prosperity and dignity. At a time when the mainland compatriots are pursuing reform and opening, Taiwan's experience should provide the best reference for them.

Once again, I wish all compatriots good luck and a happy Spring Festival. Thank you all.

Air Force Chief on IDF Fighter Development

OW0502050992 Taipei CHUNG KUO SHIH PAO in Chinese 1 Feb 92 p 3

[By reporter Wu Nan-Shan (0702 0589 1472): "Air Force Commander In Chief Li Wen-li Reveals: The Possibility of Our Purchase of F-16C Fighters Is Very Low—He Urges High-Ranking Air Force Officers To Fully Support Development of IDF Fighters"]

[Text] It has been learned that Air Force Commander-in-Chief Lin Wen-li disclosed to high-ranking air force officers, that the possibility of buying the U.S. military F-16C fighters is extremely low. He called on Air Force officers to give their full support to the development of the IDF [Indigenous Defense Fighter]. As for whether the military authorities will purchase high-performance fighters from other countries is yet to be seen.

Lin Wen-li visited the United States last December and took the occasion to negotiate the possibility of purchasing the relevant F-16C, and arrived at the conclusion that it is "not quite possible." Hence, after his return to the country, while addressing a meeting of high-ranking Air Force officers, he told them of this outcome, and urged them to give their full support to the Aeronautics Development Center under the Academia Sinica of the Republic of China [ROC] in the development the IDF fighters, saying that the best way out would be to rely on their own efforts.

Incidentally, last December was also the most intensive moment because our country had contacted high-performance fighter producing nations in Europe, including Russia. Besides exploring the military avenues, we also contacted munitions manufacturers and dealers through diplomatic channels and the National Science Council [NSC]. In particular, the negotiations between the NSC and

Russia reached a stage at which Russia was prepared to exhibit its Su27, MiG-29 fighters in our country, but this was voted down by the Executive Yuan.

At a news conference in January this year, Hao Po-tsun, premier of the Executive Yuan stated even more clearly: Buying arms is different from buying other commodities; we must consider the problem of maintenance and repair, and therefore it is a great risk to purchase arms from countries with whom we have not established a steady friendship.

Although this explanation by Premier Hao may not wholly represent the reasons why we cannot buy arms from any foreign country other than the United States, it also makes clear, to a considerable degree, our consideration for a need to purchase high-performance fighters.

Nevertheless, with the disqualification of the obsolete F-104 fighters, gradual aging of F-5E fighters, the combat effectiveness of our Air Force has been weakened, and the Air Force is facing an unprecedented pressure with a dire need for it to be replenished with high-performance modern fighters. In addition, it will take a considerable period of time before the IDF fighters to be developed by the Aeronautics Development Center under the ROC's Academia Sinica, can be put into combat readiness.

As regards the problem of a lack of thrust with the IDF fighter engines, this is but a misrepresentation, according to a high-ranking officer. He explained that at the outset when ROC and the United States signed an agreement requiring us to develop and produce the IDF fighters ourselves, we had already taken into consideration the thrust of the engine. Originally, the IDF fighters were meant to target principally against Communist China's J-7 and J-8 fighters, and so the thrust of the engines is designed accordingly. This military general said: If we compare our current IDF fighters with Communist China's Su-27 or MiG-29, and MiG-31, certainly the problem of a lack of engine thrust does exist.

In order to improve the engine thrust of the IDF fighters, the Aeronautics Development Center is making efforts to bring about a cooperation between the Garrett Corporation, original manufacturer of the engines, and the GEC Astronics of the United States, with a view to

increasing the thrust of the IDF fighters so as to meet the demands of aerial combat in the future.

Vice Minister on Promoting Accession to GATT

OW0502012692 Taipei China Broadcasting
Corporation News Network in Mandarin 2300 GMT
2 Feb 92

[From the "National News Hookup" program]

[Text] This year is a critical year for our country's joining the General Agreement on Tariffs and Trade. Vice Economic Minister Chiang Ping-kun pointed out that in order to protect the domestic industry from an onslaught after the opening of the domestic market when our country joins the GATT, the Ministry of Economic Affairs will strengthen the existing antidumping measures and set up an import assistance system. The following is a report by Huang Mei-ping:

[Begin recording] [Huang] Going allout to promote our country's accession to the GATT at an early date has become the consensus of the entire population. While there are benefits in joining the organization, such as the protection of economic and trade rights and interests, the right to take part in multilateral negotiations, and the raising of the country's international status, our country is at the same time obliged to fulfill its relative obligations, for example, granting the most-favored-nation status to other GATT members; maintaining open and fair import procedures; and controlling import quantity through the use of tariff protection. These will surely affect our country's agriculture and service trades in some way. Therefore, at its coming national economic conference, the Ministry of Economic Affairs will strengthen the enforcement of the existing antidumping measures and will, in accordance with Article 19 on defense of the GATT, set up an import assistance system at an early date. Thus, when the quantity of imports rise sharply, thus harming the domestic industry, the ministry will seek short-term countermeasures by controlling the quantity of imports or by raising customs tariffs. Vice Economic Minister Chiang Ping-kun said:

[Chiang] After the formation of a work group, we will face many countries which will inquire about standards and systems. After explanations are made, there will be haggling during trade negotiations. [end recording]

Hong Kong

Further Violence Erupts in Sek Kong Refugee Camp

HK0402151792 Hong Kong AFP in English 1503 GMT
4 Feb 92

[Text] Hong Kong, Feb 4 (AFP)—Some 80 Vietnamese boat people clashed Tuesday less than 24 hours after the worst-ever disturbances in a Hong Kong detention centre left 21 people dead in the same camp, a police spokesman said.

The spokesman said no further casualties were sustained during a fight between two rival groups that broke out around 9:00 p.m. (1300 GMT) outside Sections A and B of Sek Kong detention centre.

Police brought the violence under control within 15 minutes, firing three canisters of tear gas, he said, adding that officers were still investigating the cause of the clash and whether home-made weapons had been used.

The spokesman said it was unclear whether the fight was between rival groups from northern and southern Vietnam.

Meanwhile, a government spokesman said some 400 northern Vietnamese boat people were transferred Tuesday from Sek Kong to Hei Ling Chau camp after 21 inmates, including five children, burned to death in a camp building during fights overnight Monday, the eve of the Lunar New Year holiday.

The remaining 1,600 northerners were to be transferred in the next two days, the spokesman said, but he was unable to confirm whether they would go to the same camp.

The victims had locked themselves in a hut after a trivial row over hot water flared into a free-for-all pitting northern Vietnamese, most of whom have volunteered

to go home, against southerners facing mandatory repatriation under a scheme worked out last year between London and Hanoi.

Second Fire Reported

HK0502085892 Hong Kong AFP in English 0846 GMT
5 Feb 92

[Excerpts] Hong Kong, Feb 5 (AFP)—Police are investigating a second fire Wednesday at a Vietnamese boat people camp where 21 people were burned to death in riots two days earlier.

The fire broke out as some 1,000 boat people from north Vietnam were being evacuated from the Shek Kong camp where violence between north and south Vietnamese erupted Monday into the worst disturbances seen in boat people camps here since 1975.

Five Vietnamese suffered slight injuries when a hut at the camp caught fire, police said. No arrests were made.

"It was just a small fire and was put out immediately," a police spokesman said.

A camp official said about 1,000 of the 2,500 north Vietnamese had so far been moved from the camp in Hong Kong's New Territories to Heilingchau island.

"We hope to accelerate their transfer to the camp, but it all depends on the availability of resources in Heilingchau," the official said.

Police said they were still questioning 90 Vietnamese arrested in connection with the disturbances which were quelled when some 200 riot police moved in, firing tear gas.

A smaller outbreak of violence occurred Tuesday, when police once more used tear gas.

The victims of Monday's violence had locked themselves into a hut after a trivial row over hot drinking water flared into a free-for-all. [Passage omitted]

Television reports quoted boat people as saying Tuesday that those who were burned to death had been forced into the hut by police to protect them from the violence.

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